

# DAILY REPORT

## Asia & Pacific

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NAKASONE INTERVIEWED ON USSR, U.S. TIES

OW291255 Tokyo TBS Television Network in Japanese 0702 GMT 29 Jul 86

[Interview with Japanese Prime Minister Yasuhiro Nakasone by TBS Newscaster Keiko Kawato and guest commentator Hideo Akimoto, entitled "An Interview with the Prime Minister -- Mr Nakasone at a Crucial Juncture," conducted at the prime minister's official residence in Tokyo -- recorded, date not given]

[Excerpts] [Akimoto] Mr Prime Minister, the rainy season is now over and the Japanese archipelago is finally experiencing the height of summer. As I understand, no cabinet meeting has been scheduled for today. Does this mean that the cabinet has begun a summer vacation system?

[Nakasone] Yes, with the month drawing to an end, I intend to hold a cabinet meeting once, on Friday.

[Akimoto] You mean once a week?

[Nakasone] Yes. From the week beginning on 20 July, I proposed to have no meetings on either Friday or Tuesday. Whenever there is a cabinet meeting, bureau directors and section chiefs must come to work to make the necessary preparations since vice ministers must meet prior to a cabinet meeting. In the case they can not rest. [passage omitted]

[Kawato] Changing the subject, if I remember it correctly, one of your election pledges was to build an international society or to internationalize Japan. I have been told that a hotline will be installed at the Foreign Ministry. In this connection, what foreign policy do you plan to pursue in the days ahead?

[Nakasone] Needless to say, my policy is to promote peace and disarmament. In that sense, I will strive to improve relations between Japan and the Soviet Union as well. We are cooperating with the United States most closely and are united with the Free World as its member. We are also striving to keep our bilateral relations with China and South Korea, which are important countries to us, in the best possible condition at all times. Thus, while consolidating our footholds, we are striving to improve the situation with the Soviet Union and to expand friendly, cooperative relations with it by having the northern territories restored and expanding dialogue with it. The other side also seems to be inclined not to ignore the possibility of visiting Japan in the near future, and I do hope that they will visit us at an early date.

[Akimoto] Mr Gorbachev visited Vladivostok, which lies next door to Japan across the Sea of Japan, and made a statement which gave us the impression that mutual visits by leaders of the two countries have been placed on their agenda. Mr. Prime Minister, as you have often said, it is now their turn to come here this time.

[Nakasone] Yes, that is right.

[Akimoto] However, you have said that if you can obtain even the slightest concession from the Soviet side on the northern territories issue, you may visit the Soviet Union.

[Nakasone] Yes. That is true.



[Akimoto] Now, did you see any bright signs in the Gorbachev speech yesterday?

[Nakasone] No. What he said is the same as what he has said before. In that, he is consistent. At any rate, it seems that he wants to visit Japan as soon as possible. From the Soviet viewpoint, a visit by him to Japan amounts to a significant diplomatic strategy. Japan is like a gateway to Asia and the Pacific. To enter it leads to opening up prospects for entering the Asian and Pacific region. To come to think of it, the visit may have a Soviet impact on the Asian Continent as well. Economically speaking, the Soviet Union is now finding itself in a not too favorable situation, and its global diplomacy has come to a standstill. Thus, the Asia-Pacific region or Japan can become an important card for making a breakthrough. We cannot deny this possibility.

[Akimoto] I agree with you. Looking at the present economic situation in the Soviet Union, it seems that the Gorbachev regime has been driven to a point where it must do something. From this viewpoint, economic cooperation with the United States and Japan may look very attractive to them. In his speech yesterday, Mr Gorbachev said that he will pull troops out of Afghanistan. This looks like an effort to improve relations with the United States. By the same token, it makes us entertain the hope that there will be progress also on the territorial issue. We think it would be great if everything goes well. However, the Soviet Union being the country it is, we do not think that things will be that simple.

[Nakasone] Yes. But if Mr Gorbachev visits Japan, the Soviets can make a very significant diplomatic move. For them, there is nothing to lose.

[Akimoto] Of course, you are right.

[Nakasone] I think that they have also taken that aspect into consideration. Since thus far Japanese prime ministers have visited you without reciprocation, it is now your turn to come and see us. Please come and see us by all means. We will accord you a hearty welcome. This is what we have been telling them. If he comes, we really want to accord him a hearty welcome.

[Kawato] It is my feeling that the LDP's winning 304 seats in the election may change Japanese-U.S. relations a little bit. What is your view?

[Nakasone] It is often said that the LDP winning as many as 304 seats will result in stepped-up U.S. demands on Japan.

[Akimoto] In other words, the United States will find it easier to make demands.

[Nakasone] Yes, that is what people say. However, that is absolutely incorrect.

[Akimoto] Do you mean that the reverse is true?

[Nakasone] The contrary is rather true. Japanese-U.S. relations will remain unchanged. First, the winning of 304 seats has not changed my position at all. It has not changed my previous assertions or positions. I still maintain that we should have good, friendly relations and keep strong cooperation with the United States. Actually, if we observe the whole world situation, we will realize that Japan and the United States have been leading the world economy. Europe is not a leading partner. The world economy relies on how Japan and the United States behave. Therefore, it is important for the two countries to cooperate strongly in leading the world economy. From the viewpoint of security, Europe is systematically and tightly bound to NATO, the North Atlantic Treaty Organization. However, in Asia, there still is ample room for flexibility. In this context, in the security field, too, it is very important for Japan and the United States to firmly cooperate in order to maintain peace in the world and in Asia. In this sense, we attach importance to our relations with the United States. The United States also highly values this important role on the part of Japan. Therefore, I believe that the two countries will continue to have good, friendly, and mutually sympathetic relations. Incidentally, U.S. Commerce Secretary Baldrige arrived here yesterday.

[Both Kawato and Akimoto] Yes, he did.

[Nakasone] He is an old acquaintance of mine, and we had talks on many things. He talked in a very humble way. The press reported that he had made strong requests, but this is not true.

[Akimoto] In short, the winning of 304 seats reflects the choice of the Japanese people, their thoughts, including yours. Therefore, it is natural for us to think that, unless the United States is careful, there may be the impression that the winning of many seats will result in stepped-up U.S. pressure on Japan. Is it not?

[Nakasone] Yes, it is natural for us to think so. Bilateral relations have not changed. That is, the United States does not intend to apply pressure on Japan.

[Akimoto] It is expected that the off-year election in November will create an unusual psychological climate in the U.S. Congress. [Laughter] However, I think it would be better -- and it is about time -- for Japan to say what it has to say to the United States. Do you not think so?

[Nakasone] Yes, I do.

[Akimoto] We know that you expressed your views quite frequently in the past... When faced with a business downturn, the United States called on Japan to increase domestic demand. When it faced deterioration in its international payments, it called for the yen's appreciation. Of course, Japan's economy is in markedly good shape. However, the United States is asking too much. [laughter] I would like for Japan to actively ask the United States to strive to improve itself. [passage omitted]

[Kawato] Turning to another subject, I am very much interested in the education issue, being the mother of two sons. Education Minister Fujio's remarks on this issue have recently caused a fierce reaction in the ROK. When the cabinet was formed, he also said that he would handle the education issue as he likes. I doubt that his remarks are appropriate. It was announced that Mr Fujio and Mr Prime Minister found a consensus of views through talks among ministers. I would like to know the truth about all this.

[Nakasone] It is very regrettable that Education Minister Fujio's remarks have produced misunderstandings and incurred displeasure in some foreign countries. The chief cabinet secretary and the Foreign Ministry are now working hard to dispel these misunderstandings. I found that they were partly due to this clumsiness in using language. He himself admitted this. He did not mean to specifically single out any particular nation. Rather, his remarks were made in a general sense and from the viewpoint of world history. I think that his remarks should be interpreted in this context. Therefore, we are now striving to dispel the misunderstandings as soon as possible. As has been said, education is a very important area. Japan is now at a turning point where it must advance as a state with international and global awareness, while skillfully keeping harmony with the ideas of liberalism and democracy and the spirit of international peace and cooperation, which have been introduced into Japan since the Meiji Restoration, on the basis of the spiritual order or spiritual culture peculiar to Japan. Our central task now is to develop Japan into a state with international awareness. With this in mind, we should implement educational reforms. [passage omitted]

[Kawato] This is the last question. While making speeches during the election campaign, you showed real toughness. I believe that there are loud voices calling for the extension of your term. What do you think is the difference between you and the new leaders?

[Nakasone] So far we have had such leaders as Miki, Fukuda, Ohira, Suzuki, and Nakasone. Mr Akimoto, you are familiar with all of them, I am the tailender of that group. Now there is a group of new leaders. I believe that it is my task to transfer power to them tactfully. This transfer should be conducted in a manner which is safe to the state and causes no apprehensions to the people. This is my task. It is my task to consolidate the direction of politics as we move toward the 21st century, and to turn over power safely. Therefore, it has been my thinking that this is my big, future task.

[Kawato] Do you have any practical plans in this connection?

[Nakasone] As I have said, I will abide by party rules. This position remains unchanged.

[Kawato and Akimoto] Thank you very much.

[Nakasone] Thank you very much.

#### Welcomes Early Gorbachev Visit

OW300531 Tokyo KYODO in English 0519 GMT 30 Jul 86

[Text] Tokyo, July 30 KYODO -- Prime Minister Yasuhiro Nakasone said Wednesday he would welcome an early visit to Japan by Soviet leader Mikhail Gorbachev. Nakasone told reporters at the prime minister's official residence he would like to arrange a schedule with the Kremlin for Gorbachev to visit within this year. Nakasone said the foreign ministry has not yet set a concrete date for the proposed visit, however, the sooner the Soviet leader comes to Japan, the better. He also said that Gorbachev's visit would precede a trip by the Japanese premier to Moscow.



**Kuranari To Discuss Visit**

OW301029 Tokyo KYODO in English 0959 GMT 30 Jul 86

[Text] Tokyo, July 30 KYODO -- Foreign Minister Tadashi Kuranari will meet with Soviet ambassador to Tokyo Nikolay Solovyev, possibly next week, over the timing of a Japan visit by Soviet leader Mikhail Gorbachev, a senior foreign minister official said Wednesday. The official, who declined to be named, said the Kuranari-Solovyev meeting may take place after the foreign minister meets members of the diplomatic corps in Tokyo next Monday for the first time after he was appointed foreign minister on July 22. The official had earlier said Kuranari may raise the matter with his Soviet counterpart Edward Shevardnadze when they meet in New York for the United Nations General Assembly session this fall, terming the meeting a significant step in setting up a Gorbachev trip to Japan.

Gorbachev expressed his strong intention to visit Japan in the "not too distant future," in his June 16 letter to Prime Minister Yasuhiro Nakasone.

**NAKASONE CAUTIOUS ON YASUKUNI SHRINE VISIT**

OW281147 Tokyo KYODO in English 1129 GMT 28 Jul 86

[Text] Tokyo, July 28 KYODO -- Prime Minister Yasuhiro Nakasone, reflecting on whether or not to visit Japan's War Dead Memorial to mark the end of the Pacific War August 15, said Monday that he will take international reactions into consideration when he makes his decision. Nakasone, commenting on a possible visit to the Shintoist Yasukuni Shrine in his official capacity as government head, said, "since Japan has risen to the stature of a powerful nation, it can no longer limit itself solely to domestic issues," adding that it was necessary to take the response of other nations into consideration on the issue.

When Nakasone visited Yasukuni Shrine as the first postwar prime minister to do so in his official capacity on August 15, 1985, the 40th anniversary of the war's end, he drew widespread criticism for his action from China and other neighboring Asian countries.

Controversy over the shrine, which commemorates Japan's war dead -- and several World War II leaders executed for war crimes -- is linked to the site's role as a national symbol during Japan's militaristic period before and during World War II.

**FUJIO EXPLAINS REMARKS ON HISTORY TEXTBOOK**

OW280945 Tokyo KYODO in English 0926 GMT 28 Jul 86

[Text] Tokyo, July 28 KYODO -- Education Minister Masayuki Fujio explained to Chief Cabinet Secretary Masaharu Gotoda on Monday that his remarks in a press conference about a controversial high school history textbook did not refer to any specific countries. Fujio told reporters after meeting with Gotoda that he explained that some reports of his speech were misleading and corrections had already been published. He had made the remarks at a press meeting held last Friday.



The textbook, compiled by a nationalistic group, has been criticized by such countries as China and South Korea as attempting to glorify Japan's military activities in Asia before and during World War II. South Korean newspapers, including the TONG-A ILBO, Saturday quoted a Japanese newspaper, SANKEI SHIMBUN, as reporting Fujio's remarks that "those who complain of Japan's history textbook should look back themselves to see if they didn't commit similar things in world history."

The South Korean press quoted the SANKEI SHIMBUN as saying that, "Fujio said Korea and China should recall if they don't have a history of invading other countries before they make complaints about Japanese history textbooks." The reports sparked new criticisms and both China and South Korea pressed the Japanese Government for an apology.

As a result, Prime Minister Yasuhiro Nakasone ordered Gotoda to meet Fujio and find out what he was really trying to say, according to informed sources.

Fujio told reporters on Monday that if he has an opportunity of visiting the countries (criticizing the textbook), he will explain the real intentions of his remarks.

The controversial textbook, prepared in May by the National Council for the Defense of Japan, was partially revised by the Education Ministry due to criticism from China and South Korea before being finally approved earlier this month for publication.

#### PRC TRADE PROMOTION FAIR OPENS IN TOKYO

OW280925 Tokyo KYODO in English 0719 GMT 28 Jul 86

[Text] Tokyo, July 28 KYODO -- China opened the biggest export promotion fair it has ever held in Japan in Tokyo Monday in a fresh effort to sell more products and at the same time reduce its huge trade deficit with Japan.

Guo Dongpo, vice chairman of China Council for the Promotion of International Trade (CCPIT), said the fair is not simply an exhibition but a venue for business transactions.

CCPIT and the semigovernmental Japan External Trade Organization (Jetro) are cosponsoring the event at Sunshine City in Ikebukuro. They said it is the biggest trade promotion fair staged here by China since the establishment of diplomatic relations in 1972.

Jetro Chairman Shoichi Akazawa said 1,100 Japanese companies have approached the 110 Chinese companies from 24 provinces, cities and autonomous regions which have set up booths to display a wide variety of products ranging from toys, sporting goods, carpets and chopsticks to underwear and nonferrous metals.

Guo, one of some 300 Chinese officials visiting Japan for the fair, said through an interpreter that China is prepared to meet the needs of Japanese companies and consumers by designing clothes suited to Japanese tastes and improving the quality of their products.

Alarmed by its huge trade deficit of 14.9 billion dollars in 1985, including 6 billion dollars with Japan, China is actively pursuing ways to whittle down the deficit via the current exhibition and other promotional efforts.

Partly as a result of China's import controls on durable consumer goods and Japan's decreasing crude oil imports, two-way trade between China and Japan, its second biggest trading partner after the United States, in the first six months of this year suffered the first decline in four years.

Wang Gang, vice president of China National Nonferrous Metals Import and Export Corp. (CNIEC), which is one of the 111 Chinese concerns at the exhibition, said he is projecting winning just below 30 million dollars worth of contracts at the fair for nonferrous metal exports.

CCPIT's Guo said the council plans to hold a similar trade exhibition in Osaka next year.

RADIO PROTESTS 30 JUL SR-71 OVERFLIGHT BY U.S.

SK300932 Pyongyang Domestic Service in Korean 0908 GMT 30 Jul 86

[Text] The U.S. imperialist aggressors have committed an act of espionage by infiltrating a spy plane into DPRK airspace.

From 1233 to 1237 on 30 July, the U.S. imperialist aggressors perpetrated an espionage act against the northern half of the republic by infiltrating an SR-71 high-speed, high-altitude reconnaissance plane deep into the airspace above our territorial waters east of Kosong and flying it above the coastal waters off Kim Chaek City, North Hamgyong Province.

For the month of July alone, the U.S. imperialists' aerial espionage acts against the northern half of the republic have numbered as many as 15.

This nakedly shows that the U.S. imperialists are creating a grave obstacle to the realization of dialogue, and are incessantly aggravating the strained situation on the Korean peninsula.

BOSTON MEMORIAL FOR KOREAN WAR VETERANS LAMBASTED

SK300512 Pyongyang KCNA in English 0500 GMT 30 Jul 86

[Text] Pyongyang July 30 (KCNA) -- MINJU CHOSON today lambastes the U.S. imperialists who set July 27 as "Memorial Day" for those who participated in the Korean war and staged a "memorial function" in Boston.

This burlesque vividly shows that the U.S. imperialists are trying to justify their bloody war of aggression in Korea and imbue the American people with bellicose idea to ignite another war of aggression in Korea, the author of the commentary says, and continues:

What is noteworthy is the fact that warmonger Reagan sent a "message" to the farce beautifying the crimes committed by the U.S. imperialist aggressive forces in the Korean war and calling for "courage" in such aggression.

The moves of the U.S. imperialist bellicose elements laid bare their aggressive design on Korea.

It must not be overlooked that they openly committed such act while stepping up preparations for a new war, covetously watching for a chance to attack Korea.

With no amount of attempts can the U.S. imperialists erase the bloody marks of their aggression and war or justify their policy of occupation.

SOUTH'S ALLEGED COLONIAL DEPENDENCE ON U.S. SCORED

## ROK-U.S. Trade Pact Criticized

SK280308 Pyongyang Domestic Service in Korean 2153 GMT 27 Jul 86

[NODONG SINMUN 27 July commentary: "Brazen-Faced Submission"]

[Text] The South Korean puppets, who have engaged in negotiations with their U.S. masters on pending trade issues, recently said they had reached final agreement on them in accordance with the so-called U.S. Trade Act 301, and then they announced the outcome of the negotiations.

The gist of the agreement is to open up to U.S. cigarette imports beginning in September, to apply and put into practice the protection of intellectual property rights and copyrights beginning next July, and to allow U.S. life insurance companies to operate in South Korea.

As indicated by the contents of the agreement, the recent settlement of trade issues between the United States and the puppet clique is thoroughly filled with the U.S. imperialists' brigandish demands and tyranny and with the brazen-faced submission of the colonial running dog.

The recent settlement has enabled the U.S. imperialists to use South Korea more effectively as a colonial market to sell their goods to. The Chon Tu-hwan ring has so endeared itself to the U.S. masters by once again offering the South Korean economy to them that it will be more dearly loved as a colonial servant.

What the so-called U.S. Trade Act 301 does is retaliate against countries practicing unfair trade activities against the United States by applying the allocation system or by raising customs barriers. In other words, it is a brigandish and plundering regulation that seeks to protect U.S. economic interests at the expense of U.S. trading partners.

Now, with the decision to apply U.S. Trade Act 301, South Korea's subordinate colonial economy, which has been in a moribund state, will literally be a fish placed on a chopping board.

Even if the puppets import only 1 percent of their total supply of cigarettes in South Korea from the United States, the South Korean farmers will lose a total of 1.5 billion won a year on the whole. The measure for protecting U.S. intellectual property rights and copyrights will result in more than \$1 billion per year in losses for the South Korean economy. When the market is open to U.S. life insurance companies, South Korea will inevitably incur a staggering loss of somewhere around \$4 to \$5 billion a year.

It is because the U.S. imperialists regard South Korea only as a mere colonial fiefdom as well as a victim from whom to extract profits that they are applying such an unfair and plundering regulation to South Korea.

By affixing their signature to the humiliating document of treachery, the Chon Tu-hwan ring has once again fully laid bare its dirty nature as a colonial puppet engrossed in prolonging its life by endearing itself to its masters, taking no notice of what happens to the country and its fellow countrymen.

In the course of the settlement, the South Korean people have come to clearly realize that the U.S. imperialists are neither friends nor protectors, but aggressors and plunderers instead.



They have also realized more acutely that the Chon Tu-hwan ring is nothing but a group of traitors who have turned their backs on their fellow countrymen.

The puppet's traitorous measure has provoked denunciations not only from the people of all walks of life in South Korea, but also from even the opposition parties. In a statement issued on 21 July, the NKDP charged that the recent measure taken by the puppets will result in mounting debts for 100,000 households growing leaf tobacco and declared that it will struggle to the end to oppose this. The Korea National Party also issued a statement calling on the government to revoke the recent traitorous measure.

How can the U.S. imperialists, who will unscrupulously commit any evil if they see something profitable in it, and the traitorous group of Chon Tu-hwan, which will sell anything at its disposal regardless of whether it is the land or economy in search of the individual luxury, be tolerated? The South Korean people will undoubtedly place the aggressors and the group of traitors before the judgment of history.

#### Independence From U.S. Urged

SK242210 Pyongyang KCNA in English 1514 GMT 24 Jul 86

[Text] Pyongyang July 24 (KCNA) -- NODONG SINMUN Thursday allots much space to a signed article titled "To Make South Korea Independent Is Vital Demand".

In the first part the article says the United States advertises as if South Korea were an "independent state" and a "companion" with relations of alliance with it on an equal footing. But the South Korean "regime" acts under the U.S. baton, the article notes, and goes on:

South Korea under the political, economic and military domination and control of the United States cannot independently settle or deal with internal and external affairs in accordance with its will and determination. It has no right to do so.

The United States is not a defender of human rights, nor does it want the democratization of South Korea. While pretending to be a mouthpiece defending human rights, the United States patronizes the South Korean dictator who is hated as a violator of human rights, and encourages him to suppression. The democratisation of South Korea is possible only when the U.S. interference is brought to an end and independence realized. Without independence, peace cannot be preserved or consolidated in South Korea.

If the U.S. forces withdraw from South Korea and their interference in the internal affairs of Korea is terminated, peace will not be menaced in Korea but a peaceful phase for the solution of the national problem be opened.

The South Korean authorities who fawn on and tail behind the United States, clamour that the students movement for independence is a dangerous act endangering the "security" of South Korea by causing "southward invasion" from the North. But in the North there is no one who threatens the security of South Korea, the article says, and stresses:

For the economic independence of South Korea, the infiltration of foreign monopoly capital and comprador monopoly, which plays the role of its guide, should be rejected and an economy which is run with its own capital and technique and its own internal resources should be built and national capital be raised.

In the second part the article says:

For the realisation of the Chajusong of the popular masses in South Korea, society should be made independent. This can be achieved only when the South Korean people themselves abolish the colonial rule of the U.S. imperialists and establish a government of national independence. In order to awaken the South Korean people, the flunkeyist idea of worship towards the United States should be opposed and the consciousness of national independence be raised.

The movement of social advance is started by pioneers educating and enlightening the masses. One man educates and enlightens ten, ten hundred, hundred thousand, and thousand ten thousand centering around pioneers and thus the popular masses will win victory in the end.

The cause of independence itself calls for pulling [as received] the efforts of the South Korean people of all walks of life. It is a lawful demand for independence that the people of all segments in South Korea wage a nation-wide struggle, transcending the differences of their principles and party affiliations.

The South Korean youth and students play a leading role in the movement for independence. Students who took to the streets for justice should not be pulled back behind. They must not be artificially divided into "radicals" and "moderates" to sow discord among them nor an indifferent attitude taken to their righteous onward movement.

If all fellow countrymen join in the movement for independence no matter where they may reside at home or abroad, the U.S. forces will be made to withdraw from South Korea and the historical cause of restoring sovereignty be successfully carried out, stresses the article.

#### MINJU CHOSON ATTACKS U.S. 'NEW PACIFIC STRATEGY'

SK260457 Pyongyang KCNA in English 0450 GMT 26 Jul 86

[Text] Pyongyang July 26 (KCNA) -- MINJU CHOSON today hits at the U.S. imperialists for having worked out a "Pacific strategy to attack someone by forming a new "front" in the Far East. Noting that it was made clear at the U.S. Naval College by Solomon, policy planning director of the U.S. State Department, the daily says in a signed commentary:

This clearly proves that the U.S. imperialists' schemes to start another war in the Asia-Pacific region, notably, in the Far East, have reached an adventurous stage. It further says:

The U.S. imperialists openly clamour about a "new Pacific strategy" and "front" in the Far East in an attempt to realise their aggressive designs through forestalling nuclear attack on our republic and on the Soviet Union and other socialist countries.

This is an open challenge to the Korean people and peoples of other socialist countries in Asia who are striving to convert the Korean peninsula and the Asian-Pacific region into a nuclear-free, peace zone and a grave menace to peace in Asia and the rest of the world.

ROK EMERGENCY WAR SYSTEM HIDES 'UGLY' INTENTIONS

Chon Increasing Tension

SK280153 Pyongyang Domestic Service in Korean 2153 GMT 25 Jul 86

[NODONG SINMUN 26 July Commentary: "Powder Is Reeking Behind the Curtain of Peace"]

[Text] On 23 July traitor Chon Tu-hwan unexpectedly inspected the puppet Air Force Headquarters and the puppet Central Government Building, and talked about the need to establish a constant emergency duty system for the Army and civilians to cope with an emergency.

After saying this, the puppet traitor babbled about the importance of the coming 2 or 3 years because of the 1986 Asian Games and the 1988 Olympics.

The situation threatens to grow worse because the puppet traitor again took the lead by calling for mobilization in an emergency, even after conducting the "Ulchi-86" war exercise, which was indeed a general mobilization war exercise in preparation for war. This is an open instigation for confrontation and a plot to get rid of us by force under the pretext of the international games.

The most urgent problem to be resolved on the Korean peninsula is to eliminate acute military confrontation and the tension between the North and the South.

Everyone acknowledges that it is impossible to solve any questions with confrontation -- questions of improving relations between the North and South, alleviating tension, and resuming the suspended dialogue, questions that are usually part of pioneering the future road for peace and reunification.

Why then does the Chon Tu-hwan ring babble about alleviating tension and resuming dialogue in words, while assuming a firm attitude of confrontation in actual deeds? Traitor Chon Tu-hwan is clamoring about someone's threat of southward invasion and surprise attack. This is a hackneyed practice by the provoker. They are the ones who are watching for a chance of northward invasion, deploying various nuclear weapons aimed at us in all areas throughout South Korea and deploying large-scale Armed Forces in forward areas along the Military Demarcation Line.

Turning away from our repeated demands for dialogue, which should be resumed under circumstances in which military exercises are not being conducted, they have suspended dialogue by conducting, with the U.S. imperialists, the unprecedented large-scale "Team Spirit-86" joint war exercise and other war exercises. At the same time, they have totally rejected our epochal peace proposal to alleviate tension and create a favorable atmosphere for dialogue.

Traitor Chon Tu-hwan carries two faces under one hood. The puppet traitor's act of calling for assuming a posture for mobilization in an emergency is designed to mislead public opinion as if someone else was responsible for heightening tension and suspending dialogue on the Korean peninsula. This act proceeds from a hidden intention to accelerate war preparations by wearing a mask advocating peace and dialogue and seeking survival by kindling the fuse of war.



Despite attempts by the Chon Tu-hwan ring to wrap its body in the clothing of peace, its ugly natural shape cannot be hidden. Traitor Chon Tu-hwan's emergency duty system is a mobilization system for war, and is necessary only when war breaks out.

Confrontation by force is a crime of selling the country and rebelling against the nation and is a road to ruin.

#### CPRF Secretariat Statement

SK260534 Pyongyang Domestic Service in Korean 2200 GMT 25 Jul 86

[Information No. 349 issued by Secretariat of the Committee for Peaceful Reunification of the Fatherland on 25 July in Pyongyang]

[Text] According to a report, traitor Chon Tu-hwan, appearing in the duty officer's room in the central building of the puppet government and in the operations room of the Air Force headquarters on the morning of 23 July accompanied by the puppet home minister, defense minister, and chiefs of staff of the three services, staged a farce of inspecting the guard system in the major organizations for 3 hours.

At the place of the farce, the puppet again babbled that we will launch (?hindrance) maneuvers during the 1986 Asian Games and the 1988 Olympics. He made absurd remarks on immediate punishment, establishment of an emergency service system, and so forth, thus inciting confrontation.

We cannot but direct our keen attention to the ominous inspection racket conducted in the early morning. At a time when we should be creating an atmosphere for North-South dialogue and striving to realize talks by military authorities, a man called president is frantically inciting North-South confrontation by loudly advocating the nonexistent southward invasion theory. This is a wicked challenge to us, and clearly shows once again that the South Korean puppets are not interested in dialogue and peace but are merely pursuing confrontation and war.

As is known, we have repeatedly clarified that we have no intention of invading the South, that we will peacefully settle the questions between the North and South not by force but through dialogue and negotiations, and that we have no intention of interfering by means of force in any situation which may develop in South Korea.

We took the initiative in taking measures for unilaterally suspending large-scale military exercises in the northern half of the Republic this year and took various other measures for resuming dialogue and easing tension and peace. However, the U.S. imperialists and the South Korean puppets, ignoring our sincere initiatives for peace and peaceful reunification, not only abruptly drove the North-South dialogue into a state of suspension by staging the "Team Spirit-86" joint military exercise, but also staged in succession such war exercise rackets as "Ttangbol-86", "Piho-86," and "Ulchi-86" while openly declaring that they will continue the "Team Spirit" war exercise, thus straining the tension on the Korean peninsula to an extreme point.

Despite this, traitor Chon Tu-hwan kicked off confrontation rackets while raving about a surprise attack by the North. This is a brigandish act similar to a thief calling "Stop Thief!" and is a shameless act which will not convince anyone. The anti-Republic confrontation racket of the puppet traitor who has groundlessly slandered us is a last-ditch effort aimed at settling the crisis in his rule, deepened by the anti-U.S. and antifascist advance of the South Korean popular masses.



However, one cannot resolve the question with a confrontation racket. No matter how frantically he may slander us and rave about the anachronistic theory of southward invasion after he cut off [patan] dialogue and kicked up provocations, he will gain nothing but the condemnation of history.

The South Korean ruling faction should immediately respond to our proposal for talks between military authorities instead of advancing along the path of confrontation and war while trumpeting the song of southward invasion that their former dictators, who perished in the end, loudly played.

[Dated] 25 July 1986, Pyongyang

SKNDF ON ANNIVERSARY URGES ANTI-AMERICANISM IN ROK

SK290013 (Clandestine) Voice of National Salvation in Korean to South Korea 1000 GMT 26 Jul 86

[Letter of appeal to the masses issued by the Central Committee of the South Korean National Democratic Front [SKNDF] on 25 July on the first anniversary of the founding of the SKNDF, carried in the "We Think of the Nation" program]

[Text] To the people of all walks of life: The SKNDF marks the first anniversary of its beginning as the patriotic vanguard of the South Korean masses. Changing the RPR into the SKNDF on 27 July last year by responding to the demands of the developing South Korean mass movement was a historic and epochal event in the history of the South Korean struggle for national liberation. With the launching of the SKNDF, the patriotic masses of all walks of life came to have a genuinely patriotic vanguard representing their rights and interests pioneering with conviction the anti-U.S. movement for independence under the invincible guiding banner.

Along with the patriotic masses of all walks of life, our SKNDF has powerfully waged the anti-U.S. and antidictatorial struggle for national salvation, thus opening a new turning phase. The anti-U.S. struggle of the South Korean masses for national liberation, which has grown stronger since the Kwangju uprising, has developed into an irresistible movement, which no physical force can reverse, and constitutes a firm mainstream of the South Korean mass movement.

Amid the fierce currents of the anti-U.S. struggle, the antifascist struggle for democratization designed to overthrow the Chon Tu-hwan dictatorial regime has become heated and the struggle to revise and legislate the Constitution has expanded nationwide.

Faced with the worst critical situation, the United States and the military dictatorial regime have desperately maneuvered to reverse the situation through iron-fisted measures accompanied by appeasement measures. Confrontation between patriotic democratic forces and colonial fascist forces has already entered the phase of an unavoidable clash and the entire country has reached an important time during which enslavement or independence, and fascism or democracy will be decided.

At this acute time, proceeding from a sense of mission to smash the desperate reactionary offensives of the enemy with the united strength of the patriotic democratic forces and to expedite victory in the anti-U.S. and antifascist struggle for national salvation, the SKNDF appeals as follows:

1. Let us accelerate the anti-U.S. and antifascist struggle under the banner of independence.

Today's situation demands that all patriotic and democratic forces powerfully wage the anti-U.S. and antifascist struggle for national salvation under the banner of independence. The anti-U.S. struggle for independence in the movement of our masses for national salvation is the starting point of a mass struggle and a shortcut leading to the settlement of all problems. Without eradicating U.S. colonial rule in South Korea -- in the midst of relations of subjugation -- national sovereignty, democratization, or national reunification cannot be achieved. When in the past the dictatorial regimes have been toppled by the movement of the South Korean masses for democratization, the dawns of democracy and reunification have disappeared without any trace. This has been caused by the intervention of the United States, lording it over South Korea as a colonial master. Desiring democratization while refusing the anti-U.S. cause of independence negates the movement for democratization. A struggle for democratization devoid of the anti-U.S. struggle for independence is nothing but an empty struggle. Those who genuinely seek national independence and freedom, regardless of who they are, should unanimously turn out for the anti-U.S. struggle for national salvation, upholding the anti-U.S. banner of independence.

The antidictatorial struggle for democratization is a factor promoting the anti-U.S. struggle for independence. Under the South Korean circumstances, during which the dictatorial system is desperately maneuvering to bar the aspirations of our masses for independence and fascist suppression schemes to obliterate the anti-U.S. movement, the anti-U.S. struggle for national liberation cannot be expanded without the antifascist struggle for democratization.

What has come to the fore as a focal point in the current antifascist struggle for democratization is the struggle to revise the Constitution and legislate a democratic constitution. Patriotic masses and every party, faction, and figure should expose and smash the deceptive plot of the United States and the Chon Tu-hwan group for the agreed upon constitutional revision and struggle to abolish the fascist Constitution and legislate a democratic constitution. All patriotic and democratic forces should closely combine the antidictatorial struggle with the anti-U.S. struggle, upholding the banner of independence.

2. Let us wage the mass movement in a straight manner without deviation.

The anti-U.S. and antidictatorial struggle, which has entered a new phase, demands that the mass movement be waged without deviation based on scientific strategy and tactics. When it comes to compromise with an enemy without any principle, our movement for national salvation cannot but be plunged into the trap of ruin; when it comes to an adventurous struggle, it can only fall into the mire of self-destruction.

Independence and democracy are not a by-product of compromise with the enemy, but an outcome of a bloody struggle. Throughout history there has been no precedent in which freedom and democracy were acquired through compromise with the enemy and no incidents in which aggressors and dictators transferred their rights of domination to others willingly. Only through struggle can a democratic constitution and democracy be obtained and national sovereignty and independence be acquired. All patriotic masses who eagerly aspire to live in independence and democracy should fight to the end without compromise until they drive the U.S. imperialists out of this land, put an end to the politics of colonial domination, uproot the fascist dictatorship, and realize genuinely democratic politics.

The mass movement for independence, democracy, and reunification can attain success only with the participation of a broad range of the masses from all walks of life. If the forms and methods of the movement fail to arouse sympathy from the masses however good and just its purpose may be, the participation of the masses cannot be expected and successful development cannot be achieved. This struggle cannot escape isolation and frustration.

All patriotic masses should create reasonable and proper fighting forms and methods with which everyone can sympathize, and which help in the anti-U.S. and antifascist movement for national salvation and by which one can be encouraged, and apply them to the movement. Let us pioneer the road of independence, democracy, and reunification through struggle and attain victory through the mass-orientation of the movement.

3. Let us strengthen the unity of the patriotic and democratic forces.

There is no mightier weapon than unity in our masses' anti-U.S. and antidictatorial struggle for national salvation. Today's situation, in which the enemy's maneuvers to split and break up the mass movement are becoming intensified, raises the unity of the patriotic and democratic forces as a more vital question. Only division will be brought about if forces which should fight at the same rank persist in their own assertions and enlarge differences of opinion when unity is more precious and urgent than anything else. All patriotic and democratic forces should unite with each other, discard egotism, honor each other's opinions from a long-range viewpoint, leave differences behind, and find points in common.

Solidarity and joint action are the concrete manifestation of unity. During the situation in which aggressive and treacherous forces attack independence and suppress democracy in collusion with each other, all forces of the patriotic movement should turn out to assist in the joint struggle, holding hands and helping and supporting each other.

The strength of unity is displayed to the maximum through a united front. All political parties and organizations, figures from all walks of life, and people from all strata of the masses who love the country and the nation and aspire for democracy should advance in unity under the national and democratic front for national independence, sovereignty, freedom, democracy, and peace and reunification on the Korean peninsula. Every party, faction, and figure from all walks of life, and the patriotic masses should pool their will and strength to expedite realization of the anti-U.S. and antidictatorial cause of national liberation.

4. Let us powerfully conduct the awakening movement.

The development and victory of our anti-U.S. and antidictatorial movement for national salvation depends on whether or not our masses are armed with ideological consciousness. All mass movements begin from awakening work and are realized through it. Our awakening movement is a movement to become armed with the immortal *chuche* idea -- the leading ideology of the SKNDF -- and an ideological movement to build the ideology of independence.

At present, our awakening movement targets the vitality of the anti-U.S. struggle for independence and the antifascist struggle for democratization. Our awakening movement should concentrate efforts on removing the consciousness of worshipping the United States and flunkysm from the masses, on fostering the anti-U.S. consciousness of independence, and on ~~inciting~~ the consciousness of resisting fascist dictatorship.

The site of our awakening movement is among the masses. The more essential the awakening task is in the anti-U.S. and antidictatorial struggle, the more deeply all patriotic fighting organizations and core movement members, including the SKNDF organization members, should go among the masses. They should increase our anti-U.S. and antidictatorial ranks for national salvation to 1 million and 10 million by the 1 awakening 10, 10 awakening 100, 100 awakening 1000 method, spreading the flames of struggle to workers, peasants, youths, students, intellectuals, the poor in urban areas, religious figures, and other members of the masses from all walks of life.



The movement organizations are basic awakening strongholds and a mighty means for practice. All patriotic fighting organizations and forerunners should form many kinds of organizations for the movement for ideological enlightenment -- including ideological circles -- wherever there are patriotic masses aspiring for independence and democracy and should vitalize them. The operations for sending letters to high school students and peasants, which have been conducted among university students, are a very efficient awakening movement. Ideology is stronger than bayonets. The source of strength to defeat the powerful enemy and win victory in a hard struggle lies in awakening the masses. All anti-U.S. and antidictatorial organizations should concentrate all efforts on the movement to awaken the masses.

At the historic juncture when the darkness of oppression and enslavement should be dispelled and the dawn of freedom and liberation precipitated, all people should accelerate the performance of the just cause of national salvation with indomitable bravery once again. Let us bring to this land a new independent world without subjugation and a new democratic morning without fascism, and create a new history of national reunification without national division through heated anti-U.S. and antifascist resistance for democracy.

Long live independence, democratization, and national reunification!

[Signed] SKNDF Central Committee on 25 July 1986

REPORTAGE ON NAVAL FLOTILLA VISITING VLADIVOSTOK

SK242218 Pyongyang KCNA in English 1525 GMT 24 Jul 86

[Text] Pyongyang July 24 (KCNA) -- A flotilla of the Navy of the Korean People's Army left today for a goodwill visit to the Soviet Union on the occasion of the 25th anniversary of the signing of the Korean-Soviet Treaty of Friendship, Cooperation and Mutual Assistance. The flotilla led by Senior Vice Admiral Kim Il-chol, commander of the Navy of the Korean People's Army, will call at Vladivostok port, the Soviet Union. It was seen off by KPA Colonel General Pak Chong-kuk and other generals and officers and an official of the Soviet Embassy in Pyongyang. The flotilla was accompanied by an art propaganda team of the KPA Navy.

26-27 Jul Activities

SK300337 Pyongyang Domestic Service in Korean 2100 GMT 28 Jul 86

[Text] Members of the KPA Navy flotilla now visiting Vladivostok in the Soviet Union as part of the 25th anniversary celebrations of the signing of the Korean-Soviet Treaty of Friendship, Cooperation, and Mutual Assistance, on 26 July laid wreaths before the statue of Lenin and the eternal flames of militant honor of the Pacific Fleet, a general monumental architectural structure, and toured various historic and scenic spots.

Members of the juvenile corps in the city, representatives of the Soviet-Korean Friendship Society, and sailors of the Soviet Red Banner Pacific Fleet visited the ships of our naval flotilla.

Sailors of the two countries held friendship sporting events. On the same day, a joint performance of the song and dance ensemble of the Red Banner Pacific Fleet and the art propaganda troupe of the KPA Navy was given at the officers' hall of the Red Banner Pacific Fleet.



Members of the flotilla of the KPA Navy and commanding members and sailors of the Soviet Red Banner Pacific Fleet saw the performance.

On the evening of the same day, Admiral Kim Il-chol, commander of the KPA Navy, arranged a banquet on a ship of the flotilla to celebrate the visit to Vladivostok. Invited to the banquet were Fleet Admiral Vladimir Sidorov, commander of the Soviet Red Banner Pacific Fleet, and other commanding members of the Soviet Red Banner Pacific Fleet. Admiral Kim Il-chol and Fleet Admiral Vladimir Sidorov spoke at the banquet.

On the morning of 27 July, commanding members of the flotilla of the KPA Navy were invited to a sports festival of the Soviet Red Banner Pacific Fleet to celebrate the Naval Day of the Soviet Army. On the afternoon of 27 July, members of the flotilla visited the (Okiyang) camping site of the Soviet Juvenile Corps in Vladivostok.

#### DELEGATION TOURS USSR INDUSTRIAL COMPLEX 25 JUL

SK300528 Pyongyang Domestic Service in Korean 1200 GMT 27 Jul 86

[Text] A Soviet-Korean friendship meeting was held at the (Bankinski Gonzizioner) industrial complex, Azerbaijan, in the Soviet Union on 25 July for the 25 June-27 July joint anti-U.S. struggle month. Participants in the meeting have expressed solidarity with the Korean people's struggle for the withdrawal of U.S. troops from South Korea and for the peaceful reunification of the country on a democratic basis. They have also expressed support for the statement issued by the government of the DPRK, which decisively denounces the policy of aggression of the United States and demands that the Korean peninsula be turned into a nuclear-free zone of peace. Kwon Hui-kyong, ambassador of our country to the Soviet Union, was invited to this meeting and delivered a speech.

Meanwhile, exhibitions showing the achievements attained by the Korean people in building a socialist country and the Soviet-Korean relations being strengthened more than ever are being held in many cities and rural areas of Azerbaijan on the occasion of the joint anti-U.S. struggle month.

#### USSR, PRC MESSAGES FOR ANTI-U.S. STRUGGLE MONTH

SK251039 Pyongyang KCNA in English 1024 GMT 25 Jul 86

[Text] Pyongyang July 25 (KCNA) -- Korean public organisations received solidarity letters and messages from an international organisation and their foreign counterparts on the occasion of the June 25-July 27 month of anti-U.S. joint struggle.

The Secretariat of the Trade Unions International of Workers of the Building, Wood and Building-Materials Industries says in a letter that it supports in every way the just struggle of the government and the working people of the Democratic People's Republic of Korea to have the U.S. forces and all their weapons including nuclear weapons withdrawn from South Korea and reunify the country on a democratic principle without foreign interference.

The Soviet Peace Committee declares in its message that the Soviet people reaffirm their solidarity with the Korean people in the struggle for a peaceful settlement of the Korean question and support the DPRK Government's proposal for converting the Korean peninsula into a nuclear-free peace zone.

The Central Committee of the Communist Youth League of China, the All-China Youth Federation and the All-China Students' Federation said in a message that the Chinese youth actively support the proposals for founding the Democratic Confederal Republic of Koryo and having tripartite talks and will resolutely support as ever the just struggle of the Korean people and youth for the independent and peaceful reunification of the country.

Expressing support to the DPRK's proposal for holding three-way talks, the Bulgarian Committee for Solidarity With the Peoples of Asia and Africa says in its letter: We demand that the talks be held without delay and believe that an affirmative result would be achieved at the talks.

The Democratic Organization for Afghan Women stresses in its letter that all U.S. forces must be withdrawn from South Korea and the Korean people's desire for reunification be realised.

A message and a letter came respectively from the Soviet Women's Committee and the Central Committee of the Democratic Women's League of the GDR.

#### YI CHONG-OK RECEIVES CHINESE METEOROLOGICAL GROUP

SK290418 Pyongyang KCNA in English 0411 GMT 29 Jul 86

[Text] Pyongyang July 29 (KCNA) -- Vice-President of the DPRK Yi Chong-ok on July 28 met and conversed in a friendly atmosphere with the delegation of the State Meteorological Bureau of China headed by its director Zou Jingmeng at the Mansudae Assembly Hall. Present on the occasion were director of the Hydro-Meteorological Bureau of Korea Yi Kon-il and Chinese Ambassador to Korea Zong Kewen.

#### DPRK-PRC HYDRAULIC POWER COMPANY SIGNS 'DECISION'

SK250451 Pyongyang KCNA in English 0445 GMT 25 Jul 86

[Text] Pyongyang July 25 (KCNA) -- The 39th meeting of the Council of the Korea-China Hydraulic Power Company was held in Pyongyang. A decision on the points agreed upon at the meeting was signed Wednesday. Yi Chong-song, vice-chairman of the Power Industry Commission of Korea, and Zhao Qinfu, vice-minister of water conservancy and power of China, signed the decision.

#### 33D ANNIVERSARY OF KOREAN WAR 'VICTORY' MARKED

MAC Reception 25 Jul

SK260422 Pyongyang KCNA in English 0413 GMT 26 Jul 86

[Text] Pyongyang July 26 (KCNA) -- Major General Yi Tae-ho, senior member of our side to the Military Armistice Commission, gave a reception Friday on the occasion of the 33rd anniversary of the victory of the Korean people in the Great Fatherland Liberation War. Invited there were the chief and members of the Liaison office of the Chinese People's Volunteers to the MAC and the Polish, Czechoslovak, Swiss and Swedish members and staffers of the neutral nations supervisory commission. Speeches were made at the reception, which proceeded in a friendly atmosphere.

## KPA General Writes Article

SK261039 Pyongyang KCNA in English 1023 GMT 26 Jul 86

[Text] Pyongyang July 26 (KCNA) -- The U.S. imperialists and the South Korean puppet clique must clearly realize that if they persistently follow the road of war, challenging our peaceloving initiative, they will sustain a more crushing defeat than that in the past fatherland liberation war, warns General of the Korean People's Army Kim Pong-yul.

Our People's Army is always watching the enemy's moves with heightened revolutionary vigilance, he says in an article contributed to NODONG SINMUN today under the title "The U.S. Imperialists Must Stop Running Riot, Clearly Mindful of Lessons of History" on the anniversary of the victory in the war.

The article says: The Korean war started by the U.S. imperialists was a rigorous war decisive of life or death for our people. But our people and People's Army, thanks to the outstanding military strategy and tested guidance of the respected leader President Kim Il-song, the ever-victorious iron-willed brilliant commander, dealt a heavy blow at the U.S. imperialists who were boasting of being the "strongest" in the world and started them on the downhill.

Today the U.S. imperialists are getting more frantic with their scheme to provoke another war, staying on in South Korea, far from drawing a lesson from their crushing defeat in the past Korean war, the article notes, and says: Clamouring about the fictitious "threat of southward invasion", the U.S. imperialists and South Korean puppet clique are making false propaganda and zealously whipping up the consciousness of confrontation and war fever with increasing frenzy. The enemy is now frantically kicking up "an anti-communist" racket, crying without any ground that North may mount a "surprise attack" and start an "armed provocation" with the Asian Games and the 1988 Olympic Games as an occasion.

Today it is not the United States or South Korea but our republic that is exposed in actuality to the threat of aggression. The U.S. imperialists have already deployed more than 1,000 pieces of nuclear weapons in South Korea and additionally deployed there "B-52" strategic bombers, "F-16" fighter planes, various missiles, rocket guns, tanks, armored cars and other new type military equipment and new units and try to introduce even new chemical weapons.

Recently the Supreme Command of the Korean People's Army proposed to have talks between the military authorities involving the DPRK, the United States and South Korea. But the U.S. imperialists and the South Korean puppet clique openly rejected our constructive peace initiative. The reality clearly shows what they want is not detente or peace but confrontation and war and that the "threat of southward invasion" on their lips is merely a product of their plots.

Noting that today the Korean People's Army has grown and strengthened to be invincible revolutionary Armed Forces capable of smashing any aggressor and safeguarding the party and the country, the article stresses: The Korean People's Army has grown incomparably stronger politically and ideologically and in military technique than it was when it inflicted an ignominious defeat upon the U.S. imperialists in the period of the fatherland liberation war.



The military line whose keynote is to turn the whole army into a cadre army and modernize it, to arm the entire people and fortify the whole country has been carried out under the wise leadership of our party, with the result that our People's Army has been further strengthened to be a one-beats-a-hundred revolutionary army, the entire people placed under arms and the whole country has turned into an impregnable fortress. The U.S. imperialists and South Korean puppet clique must look straight at the reality and refrain from running riot.

Articles contributed by KPA Colonel General O Chae-won and KPA Major General Kim Tok-hyon are printed respectively in MINJU CHOSON and PYONGYANG SINMUN.

#### DJP POLICY ON CONSTITUTION CALLED SUBTERFUGE

SK290452 Pyongyang KCNA in English 0442 GMT 29 Jul 86

[Text] Pyongyang July 29 (KCNA) -- Commenting on the formation of a "National Assembly Special Committee for Constitutional Amendment" in South Korea, NODONG SINMUN Tuesday says: The switchover of the "Democratic Justice Party" from "defence of the Constitution" to constitutional revision is its artifice in the hell of a fix into which it has been driven by pressure within and without.

The author of the commentary says: The puppets who had been dead set against a change to the "Constitution" made a sudden volte-face, agreeing to it. It was because the growing socio-political confusion in South Korea was fanned by the public opinion at home and abroad that the storm of democratisation in the Philippines would sweep South Korea sooner or later.

The commentary continues: Not much penetration is needed to guess why the "Democratic Justice Party" agreed to constitutional revision on condition of its debate inside the Assembly. By taking the question of constitutional amendment to the "National Assembly" under the pretext of ruling-opposition negotiation, it seeks to head off the expansion of the street movement for the revision of the "Constitution" among the masses and block the movement for democratisation. It intends to help traitor Chon Tu-hwan serve out his term without mishap in face of the strong demand for his resignation, whiling away the time with ineffective debate on constitutional revision in the "National Assembly," and lay the foothold of the "Democratic Justice Party" for long-term office behind its curtain. It has failed to produce any proposal for a change to the "Constitution" even after it agreed to the amendment under the pressure of the masses demanding it. Under this situation, a chance of solution is nil, even if a special committee is formed and negotiation is continued a hundred days.

#### JAPANESE MINISTER'S TEXTBOOK REMARKS 'SHAMEFUL'

SK300740 Pyongyang Domestic Service in Korean 1150 GMT 29 Jul 86

[Commentary by station commentator Kim Kyong-pok: "A Brazen Challenge"]

[Text] Newly appointed Japanese Minister of Education Fujio has made very shameful and absurd remarks in connection with the question of school textbooks.



According to a news report, in a press conference held on 25 July, he picked a quarrel with Japan's neighboring countries over their denunciation of the maneuvers of the Japanese authorities to distort history. He asked: Have not those who are complaining committed similar acts in their history? He then issued a challenge, saying: Although it is good for our side to acknowledge its acts, the opposite side should also acknowledge its acts. This is natural. Indeed, it is the very brazen act, like shouting stop thief. It is also an intolerable act of degrading the people of Asia, including our people, who want an end to these distortions of history.

The person who is in charge of education in Japan, including the question of school textbooks, unhesitatingly made these remarks after individually meeting with the Japanese prime minister shortly after taking office. We take a serious view of this. We are also naturally compelled to react with resentment and awareness.

High school history textbooks recently published by the National Association for Protecting Japan, after undergoing a review by the Japanese Ministry of Education, contain distorted historical facts, which the people of our country and Asian countries, who once suffered aggression from the Japanese imperialists, can never overlook. For example, the chapter that deals with the Japanese imperialists' conquering of Asia did not use the words aggression and attack, reduced the number of those killed by the Japanese imperialists in the 1 March movement and of those forcibly drafted by the Japanese imperialists, and described patriotic fighter An Chung-kun as a libertine. It was natural for our people and the Asian peoples to strongly protest and denounce an attempt to conceal, beautify, and decorate the Japanese imperialists' past aggressive and criminal acts. Accordingly, the Japanese authorities were compelled to revise the school textbooks. Nevertheless, they brazenly resist public opinion. This is an act of carrying two faces under one hood and is very brazen.

Picking a quarrel with his neighboring countries, Fujio raved that our country has a history of aggression. This is outrageous. When did our country invade other countries, especially Japan? Before modern times as well as since then, Japan was and has been an aggressor against our country, and our country has been a victim. The absurd remarks by Fujio are those of a swindler attempting to find fault with others and pressed by public opinion.

As is known, the Japanese reactionaries' distortion of history in school textbooks has been subject to denunciation by public opinion since 1982. Nevertheless, they have challenged public opinion by using tricks. This shows that they do not want to sincerely repent for the Japanese imperialists' past aggression and crimes and reveals a wild desire to repeat these crimes.

We can clearly see their true intentions when we consider that the ministers of the Japanese Government are trying to invoke militarist ghosts by openly visiting the Yasukuni Shinto Shrine, and that the Japanese reactionaries are zealous in maneuvers to reinvade South Korea and Asia by accelerating the work of making social and political life fascist-oriented and by greatly increasing their aggressive Armed Forces.

The Japanese reactionaries are trying to drive members of the new generation in Japan to reinvade Korea and Asia by arming them with the militarist ideology of aggression by distorting history in school textbooks. However, no matter how great the desire of the Japanese reactionaries may be, history can never be distorted. The Japanese reactionaries should understand that the road to fascism and overseas invasion is the road to death, and will lead Japan to its second defeat.

SYRIAN MINISTER VISITS, MEETS WITH LEADERS

Feted at 25 Jul Banquet

SK280300 Pyongyang Domestic Service in Korean 1500 GMT 25 Jul 86

[Text] On the evening of 25 July at the Ongnyu restaurant, the DPRK government arranged a banquet for Syrian Minister of State for Foreign Affairs Isam al-Na'ib, who is currently visiting our country. Present at this occasion were Chong Song-nam, minister of external economic affairs; Kim Hyong-yul, vice minister of foreign affairs; and other functionaries concerned; and Hani Habib, ambassador of the Syrian Arab Republic to our country.

Speeches were exchanged at the banquet. Participants in the banquet toasted the eternal friendship and unity between the people of Korea and Syria, the long life and good health of the great leader Comrade Kim Il-song, the long life and good health of the dear leader Comrade Kim Chong-il, and the long life and good health of the respected President Hafiz al-Asad.

Received by Kim Il-song

SK281037 Pyongyang KCNA in English 1023 GMT 28 Jul 86

[Text] Pyongyang July 28 (KCNA) -- The great leader President Kim Il-song received Monday Isam al-Na'ib, minister of state for foreign affairs of the Syrian Arab Republic, on a visit to Korea. Present on the occasion were Vice-Premier and foreign Minister Kim Yong-nam, Minister of External Economic Affairs Chong Song-nam and Syrian Ambassador to Korea Hani Habib.

President Kim Il-song conversed with the minister in a cordial and friendly atmosphere. The minister presented a gift to him.

Presents Gift to Kim Chong-il

SK281041 Pyongyang KCNA in English 1024 GMT 28 Jul 86

[Text] Pyongyang July 28 (KCNA) -- Comrade Kim Chong-il, member of the Presidium of the Political Bureau, and secretary of the Central Committee of the Workers' Party of Korea, received a gift from Isam al-Na'ib, minister of state for foreign affairs of the Syrian Arab Republic, on a visit to Korea. Isam al-na'ib handed the gift to an official concerned.

Receives Kim Yong-nam

SK290427 Pyongyang KCNA in English 0419 GMT 29 Jul 86

[Text] Pyongyang July 29 (KCNA) -- Hani Habib, Syrian ambassador to Korea, gave a reception yesterday evening at his embassy upon the conclusion of the Korean visit by Isam al-Na'ib, minister of state for foreign affairs of the Syrian Arab Republic. Present there on invitation were Vice-Premier and foreign Minister Kim Yong-nam, Minister of External Economic Affairs Chong Song-nam, Vice-Minister of Foreign Affairs Kim Hyong-yul, and other officials concerned. Speeches were exchanged there.

GFTUK HOLDS PLENUM IN PYONGYANG 21-22 JUL

SK250540 Pyongyang Domestic Service in Korean 1300 GMT 23 Jul 86

[Text] The 12th plenary meeting of the GFTUK Central Committee was held in Pyongyang on 21-22 July. Present at the plenary meeting were Ho Chong-suk, secretary of the WPK Central Committee; Kim Pong-chu, chairman of the GFTUK Central Committee; members and candidate members of the GFTUK Central Committee; and responsible functionaries of provinces, cities, counties, plants, and enterprises. Discussed at the plenary meeting were the tasks of trade unions to mark the nation's greatest felicitous day in 1987 with a high political fervor and brilliant labor feats and the thorough materialization of the programmatic instruction given by the great leader Comrade Kim Il-song on 15 May 1986.

Following a report on the first and second agenda items by Chairman Kim Pong-chu, many participants debated in the plenary meeting. The reporter and debaters said: Our people can end the long history of suffering and mark a new era of the worthwhile revolution because we have the great leader, the brilliant sun of the nation, and we can brilliantly complete the revolutionary cause of chuche generation after generation because we have dear Comrade Kim Chong-il, the guiding star of the revolution.

Placing stress on marking the nation's greatest festive day next year with lofty political fervor and brilliant labor feats, they further said: To do so, all trade unions must more aggressively carry out ideological indoctrination work to train all their members to be chuche-type communist revolutionaries who are endlessly loyal to the great leader and the party, thereby strongly organizing the ranks of trade unions politically and ideologically.

At the plenary meeting, they stated that loyalty to the party and the leader must be shown in the practical struggle. They also emphasized bringing about new innovations in socialist construction by vigorously carrying out organizational and political work to mark the nation's greatest festive day in 1987 with brilliant labor feats, and put forth concrete tasks for this.

The plenary meeting emphasized creating new miracles and innovations on battlefields to erect large-scale facilities of the chuche era and in all sectors of the people's economy by boldly carrying out socialist emulation of loyalty and by holding the National Technological Innovation Festival on a large scale according to the appeals of the employees of the First Hydraulic Power Station Construction Complex Enterprise.

Saying that the militant function and role of trade unions must be heightened by all means to carry out the tasks of the trade unions, the plenary meeting stressed vigorously carrying out the ideological indoctrination work and guiding organizational activities to strongly establish the unitary ideological system of the party in the trade unions and to uphold the party's leadership with loyalty, and pointed out that the work method and work style of trade union functionaries must be improved.

The task of the trade unions on thoroughly materializing the programmatic instruction of the great leader Comrade Kim Il-song given on 15 May was discussed at the plenary meeting. The reporter and debaters said: The programmatic instruction of the great leader on better solving the problem of food, clothing, and housing facing the people and of more quickly building the communist society was a militant program that elucidates a short cut to the occupation of the two fortresses of communism in our country, and was an encouraging banner leading the entire party and country, and all of the people, to a new revolutionary upturn.



Thoroughly materializing the recent instruction of the respected and beloved leader is an impending task of the trade unions. All trade unions and union functionaries must, with a high political and ideological resolve and endless loyalty toward the party, vigorously organize and mobilize the working class and the members of the trade unions in completing the construction of important facilities in socialist economic construction ahead of schedule in the spirit with which they erected a modern socialist industrial and agricultural state from the ashes after the war.

The plenary meeting stressed that all of the working class and members of the trade unions must display their unlimited power and spirit in building important facilities by clearly understanding the significance of building these facilities and the method for building these facilities and by adopting this method. The meeting also put forth concrete tasks in doing so.

The plenary meeting pointed out that all trade unions in the industrial machinery sector, the railway transportation sector, and all other sectors concerned must vigorously help build important facilities in terms of material, technology, and labor by waging a struggle to produce more material and equipment in a timely manner -- including modern mechanical devices, cement, and steel -- by carrying out organizational and political work.

The plenary meeting stressed carrying out the organizational and political work of various types and by using various methods in each level of trade unions to successfully complete the construction of important facilities within the shortest possible period of time. They also stressed the task of more firmly preparing the members of the trade unions for socialist construction. A relevant letter of decision and an implementation plan were adopted at the plenary meeting.



200 STUDENTS CLASH WITH POLICE IN SEOUL

H301231 Hong Kong AFP in English 1216 GMT 30 Jul 86

[Text] Seoul, July 30 (AFP) -- About 200 students clashed with riot police for two hours here Wednesday, in a protest at the inauguration of a parliamentary committee set up to amend the Constitution, eyewitnesses said. The Seoul National University (SNU) students demanded that the opposition New Korea Democratic Party stopped compromising with the government and called for the ousting of "imperialists."

Meanwhile, some 30 women, mostly mothers of jailed student dissidents, staged a street demonstration in downtown Seoul demanding the immediate release of all political prisoners, witnesses said. At the hour-long anti-government demonstration in downtown Seoul, the women denounced the military dictatorship and carried banners calling for the unconditional release of all prisoners of conscience, the witnesses said. The demonstration was led by the wife of the reverend Moon Ik-hwan, chairman of the dissident United Minjung (people) Movement for Democracy who was arrested in May on charges of inciting students at the Seoul National University (SNU) into violent demonstration. Most of the demonstrators dispersed voluntarily after riot police arrested some of them, the witnesses said.

MP's of both the opposition and the ruling Democratic Justice Party of President Chon Tu-hwan are sitting on the parliamentary committee on the Constitution which was inaugurated Wednesday. The committee was set up in response to opposition demands for constitutional changes towards greater democracy, and is to present a constitution revision bill before the opening of the next full parliamentary session in September.

ROWNY INVITES ROK TO PARTICIPATE IN SDI

SK300932 Seoul YONHAP in English 0836 GMT 30 Jul 86

[Text] Seoul, July 30 (YONHAP) -- Edward Rowny, special adviser to the U.S. President on arms control matters, said Wednesday that South Korea could participate in the Strategic Defense Initiative (SDI) project through research into steel and personal computers, and the development of cotton products. In a press conference here, Rowny said that Korea's participation in the SDI research program would also benefit that nation in non-military fields, including telecommunications, and computer and optical sciences, because it would give Korea access to state-of-the-art technologies. Rowny said that the United States does not want to pressure Korea to join the SDI, often referred to as "star wars." He said that the United States "invites" Korea to take part.

In March 1985, the United States invited Korea, its NATO allies and other countries to participate directly in SDI research, according to the adviser.

The institute for Far Eastern Studies at Kyungnam University is sponsoring the three-day seminar, which opened Tuesday. Rowny came here to attend an international seminar on the SDI. Rowny delivered a keynote speech titled "The SDI and America's Asian Allies" Tuesday.

The U.S. presidential adviser said that he met with Korean Prime Minister No Sin-yong and Foreign Minister Yi Won-Kyong Tuesday and that his talks with them were "positive, constructive and fruitful." He said he briefed the Korean leaders on SDI and recent progress in U.S.-Soviet arms control talks. Rowny is scheduled to leave Korea Thursday.

JAPANESE MINISTER'S COMMENTS ON TEXTBOOK CONDEMNED

## 'Deep Regret' Expressed

SK300139 Seoul YONHAP in English 0128 GMT 30 Jul 86

[Text] Seoul, July 30 (YONHAP) -- The South Korean Government Tuesday expressed "deep regret" over recent remarks made by Japanese Education Minister Masayuki Fujio in response to foreign criticism of Japan's history textbook screening process. Kwon Pyong-hyon, director-general of the Foreign Ministry's Asian Affairs Bureau, conveyed the message to Sakutaro Tanino, minister at the Japanese Embassy here.

Kwon said Tanino, acting on instructions from the Japanese Foreign Ministry, expressed the "deep regret" of the Japanese Government over the trouble that the education minister's remarks caused to Korea. Kwon quoted Tanino as saying that "the remarks were not made with any specific country in mind." Tanino said he will convey the official position of his home government later, according to Kwon.

Earlier Tuesday in Tokyo, Japanese Prime Minister Yasuhiro Nakasone also expressed regret over any misunderstanding or displeasure that Fujio's remarks may have caused foreign countries. In a televised interview, Nakasone said that Fujio's remarks were not made in reference to any specific country and that there were "shortcomings" in his expression.

Fujio was quoted by Japanese newspapers as saying at a press conference last Friday, "Did the 'yatsu' (brats) who are complaining never commit such a thing in their history?" After his remarks triggered an uproar of criticism, Fujio explained that the remarks reflected his personal point of view and he later said that he would be a "fool" to name any specific country in making such remarks.

## TONG-A ILBO Editorial

SK290440 Seoul TONG-A ILBO in Korean 28 Jul 86 p 2

[Editorial: "The Root of the Japanese Education Minister's Way of Thinking -- the Absurd Remark of Fujio Is Not Accidental"]

[Text] Japanese politicians and high-ranking public officials make absurd remarks from time to time that prevent us from forgetting. Yet though these may be intolerably absurd remarks to us, they may be, from the Japanese officials' standpoint, the manifestation of their inner thoughts, thoughts they hoped would be uttered by someone. As to the absurd question asked by Education Minister Fujio in connection with the new Japanese history -- "haven't those who are complaining committed similar acts in their own histories" -- we might as well understand his statement in this context.

Therefore, rather than adhering merely to one remark made by the Japanese Government or those who actually participate in Japanese politics -- which is only a piece of the whole reality -- we ought to check into the thinking behind it. Exploring on this basis, we find that the distortion of history in Japanese textbooks is not unrelated to this situation, it also has a close bearing on Fujio's absurd remark. Moreover, we should attach importance to the fact that Prime Minister Nakasone spoke ambiguously about Fujio's remark, describing it as a "personal view," despite the fact that Education Minister Fujio's remark at the press conference was made immediately after talks with Nakasone on educational reforms.

This is truly a manifestation of the concept of dichotomy -- "the true color and the cause upheld" -- conveniently used by the Japanese.

Looking into this reality, we find that it is not entirely new. The Japanese political strategy of scoring double points in a game has emerged since they absurdly described their defeat in the war as their having ended the war -- easily ignoring the cause of the war they provoked, exaggerating and taking advantage of the nuclear attacks on Hiroshima and Nagasaki, and pretending overnight to be leading advocates of peace. We can easily see the root of their thinking when we look closely at a series of policies they have implemented since the end of World War II -- taking advantage of their economic growth under (McArthur's) protective umbrella, in contrast to Germany which, though a defeated country in World War II like Japan, implemented a sincere postwar policy based on repentance.

In particular, since Prime Minister Nakasone took power, their attempt to escape from "the history based on Japan's defeat in war," which had been developed little by little, has been openly manifest in various forms, taking advantage of their international position and economic confidence. Instead of being humble before history and aspiring for new state ethics by severing ties with their past, they have not abandoned their homesickness for it. Taking advantage of the boredom of their mature capitalist society -- which the old generation calls the "new mankind," with Japanese youth indulging in fetishist thinking, and with the resultant weakened criticism -- they are heading upstream step-by-step, feeling little need to understand others, going against the current, and reviving a view of history based on the imperial state.

Strictly speaking, we need not express anything more than concern for a neighbor no matter what road Japan follows. We cannot afford it because we are occupied with too many things. However, our nation has spirit enough to be articulate when we witness the haughtiness with which the Japanese continue to irritate the injury we suffered rather than making an indirect remedial effort for it through self-reflection. Nevertheless, Fujio was guilty of an absurd outburst, comparable to a thief turning on the victim and asking, "Haven't you ever done anything like that," when he referred to those, including us, who have never invaded them or caused any loss or damage to them. We cannot help feeling indignant at the shamelessness of Fujio, who holds the position of an educator. With the sweeping victory of the LDP in Japan's recent general elections, their perverse way of thinking will be further escalated and it will be necessary for us to wisely cope with a situation in which we must live with this audacious neighbor. In the midst of all this, we will trust, for the present, the conscientious forces of Japan, and expect the authorities to make a restrained but stern protest to them, after we have obtained, as requested by the ROK Government, the truth of the remark in question.

#### Social Democrats Hold Rally

SK291147 Seoul YONHAP in English 1143 GMT 29 Jul 86

[Text] Seoul, July 29 (YONHAP) -- About 50 members of South Korea's Social Democratic Party held a rally in front of the Japanese Embassy here Tuesday afternoon. During the 40-minute demonstration, the protesters demanded an apology for the reportedly insulting remarks recently made by the new Japanese education minister concerning the contents of his country's high school history textbook. The demonstrators wore head bands with a slogan reading "Down With Japanese Imperialists." They also carried a placard with a phrase challenging Japan's "neo-imperialism." They handed out to people about 100 leaflets in which they called for an immediate apology by the Japanese Government for the "insults" made by the Japanese minister. The leaflet then urged the Korean people to launch a nationwide campaign to boycott Japanese products and to drive out "all things Japanese."



BCP POLITICAL REPORT ON EVOLUTION OF CAPITALISM

BK271354 (Clandestine) Voice of the People of Burma in Burmese 1200 GMT 27 Jul 86

["Continuation of the Political Report of the Burma Communist Party Central Committee presented at the Third National Party Congress"]

[Text] Monopoly institutions such as cartels, syndicates, and trusts emerged with the rise in production and capital, and the capital of these institutions merged with banking capital to become what is known as financial capital. Banks which had once served as middlemen, then became monopoly capitalists with financial capital in hand. In the most advanced capitalist countries, the largest banks amalgamated into banking groups, comprising at least three of five member banks, on the basis of their industrial and financial capital expenditures, thus bringing together the largest portion of the country's capital and income into their heads. These monopoly financiers were considered powerful men with infinite resources. They control, without exception, the entire network of economic and political institutions in today's capitalist society.

Monopoly capitalist institutions emerged in all the developed capitalist countries in the early 20th century, and (?a few) of these richest nations gained the stature of monopolists. The buildup of capital in these nations was phenomenal, leading to excessive buildups of capital. In such a situation, conditions emerged for the export of capital. Several backward countries were then in contact with world capitalist circles, and they were in the process of constructing or had completed the construction of their main railway lines. Preliminary requirements for the development process were already in place in the countries.

The need for a few capitalist nations to export capital was urgent as capitalism was already overdeveloped. Also, due to uneven development, agriculture lagged behind industry while people were impoverished. Under these circumstances, there were no spheres of investment left that would yield profit from capital in these capitalist countries. Hence, to gain greater profits, capital was exported. The export of capital was directed particularly to the backward countries because capital was scarce there, agricultural costs were lower, labor was cheap, raw materials were available at lower costs, and greater profits could be reaped from invested capital.

The British colonies became the prime target for British investment while for France, Europe was the main area of capital export -- first of all Russia, particularly in the form of credit capital. French capital was not in the form of investments in state ventures but rather government loans. Hence, France imperialism, unlike British colonial imperialism, was based on loans.

Germany, however, belonged to a third category. Because it did not have many colonies, Germany invested equally in Europe and America.

STATION EDITORIAL ON ASSEMBLY RESOLUTIONS

BK271048 Phnom Penh Domestic Service in Cambodian 2300 GMT 25 Jul 86

[Station editorial: "Pledging To Implement Successfully the Resolutions of the 1st National Assembly's 11th Session"]

[Text] In an atmosphere full of socialist optimism, in which our entire party, Armed Forces, and people are striving to emulate and implement the resolutions of the party's Fifth Congress and every task assigned by the party and state, the 11th Session of the 1st National Assembly, which lasted for 5 days from 21 to 25 July, successfully concluded its work.

As genuine representatives of the people, at this session National Assembly members most attentively followed every significant event raised and discussed and energetically took part in expressing their opinions with the knowledge and experience gained from activities in their constituencies. This made the session lively and contributed to further improving the meeting. The National Assembly enthusiastically followed and debated the report of the Council of Ministers on the implementation of socioeconomic plans in the 1st half of the year and the targets for the 2nd half of the year. It unanimously agreed on the report and various measures of the Council of Ministers in implementing the socioeconomic tasks and the budget for the last 6 months of 1986. The National Assembly listened to the report on building defense works along the Cambodian-Thai border and sincerely praised tens of thousands of workers who clearly understood their duty and took part in this task, braving every difficulty and obstacle and achieving satisfactory results. This is a great contribution to firmly defending the border.

The National Assembly also heard the report by the proselytizing commission and gladly welcomed compatriots who have awakened in time and rejoined their families and the nation. It appealed to those compatriots who are still among enemy ranks to return to the fold quickly. The National Assembly highly praised the rapid development of our Revolutionary Armed Forces, which have closely cooperated with the Vietnamese volunteer army in smashing the enemies along the border and inside the country. The Assembly praised militiamen in villages and communes who have fought against every plundering activity of bandits to ensure safety and defend the people's peaceful life. The National Assembly warmly congratulated the party's correct leadership, which has adopted resolutions on building the working class into a genuine vanguard class in the cause of the Cambodian revolution and the party policy toward intellectuals at the recent session of the party Central Committee. This shows the party's high sense of responsibility for the fatherland.

The National Assembly highly appreciated the all-round development of the Cambodian revolution in the past, particularly in the military, political, and economic fields. Under the correct leadership of the KPRP, with assistance from the parties, state authorities, and peoples of Vietnam, Laos, the Soviet Union, and other fraternal socialist countries, our people and Armed Forces have braved every difficulty and scored noble results in defending and building the beloved fatherland.

After this serious defeat along the border, the enemies' morale is low and their internal conflicts have deepened. They are seeking ways and means to attack and kill one another. This has pushed them into a desperate situation. Increasing numbers of enemy soldiers are surrendering to our authorities.

Our people's three revolutionary movements -- fighting the enemies, winning over enemy soldiers, and expanding production and building revolutionary forces -- on the contrary have scored successive results. Our Armed Forces have developed rapidly both in quantity and fighting quality and have closely cooperated with the people and the Vietnamese volunteer army in successfully smashing every enemy maneuver and activity and defending national independence and revolutionary gains.

We have restored and created good conditions for continued development and progress in agriculture and expanded the area to be planted with rice, rubber, and other subsidiary crops. The cultivation of rice and rubber and exploitation of forestry and aquatic products -- the four economic spearheads put forward at the party's Fifth Congress -- have been gradually expanded. Worthy of pride is the fact that our peasants throughout the country have a better understanding of intensive rice cultivation involving the IR-36 variety, which has a high yield and requires a small amount of capital and time. Our peasants have heightened their patriotic spirit and enthusiastically and vigorously sold their paddy and paid patriotic contributions.

Workers in factories, enterprises, and handicraft workshops have also paid attention to increasing production to serve the people's needs. This has gradually stabilized the people's life and contributed to building new socialist cultural basis.

All this more clearly reflects the firmness of our pure and new regime. It has created conditions allowing a recent fifth partial withdrawal of Vietnamese volunteer troops from Cambodia. The victories we have scored are great. However, our immediate tasks are still serious. The enemies, despite their defeat and deterioration, have not yet abandoned their undeclared war maneuvers to oppose and topple us. Recently, they had made up the so-called 8-point proposal, which was in fact concocted by Beijing in an attempt to return the genocidal Pol Pot clique to power to massacre the Cambodian people again. And more recently, the Thai rightist reactionary clique has colluded with the U.S. imperialists by staging a joint military exercise codenamed "Cobra Gold-86." This is a direct provocation and threat to the PRK and an opposition to the three Indochinese countries and peace in the region.

This calls for all of us to heighten the spirit of self-sufficiency and brave obstacles by firmly sticking to the revolution's strength and winning position. We should combine the tasks of fighting the enemies and rainy-season production and vigorously promote patriotic emulation movements, thrift, and lively improvisation in production. We should continue eternally to expand and strengthen the spirit of national and international solidarity, particularly the solidarity with the Vietnamese volunteer army, for the benefit of the fatherland's prosperity and to contribute to building a peaceful, friendly, and cooperative Southeast Asia.

The entire party, Armed Forces, and people should clearly see the advance of the Cambodian revolution, which no enemy can reverse. The next 2 years, 1986 and 1987, are the ones in which we should successfully implement the first 5-year socioeconomic plan. This requires all of us to grasp at good experiences firmly, take various concrete measures, and effectively implement tasks assigned by the party and state. In particular, we should successfully implement all the resolutions of the first National Assembly's 11th session to advance the fatherland's cause toward socialism.



PASASON ON UNMASKING OF U.S. 'STATE TERRORISM'

BK210819 Vientiane Domestic Service in Lao 0500 GMT 21 Jul 86

[PASASON 21 July commentary: "Unmask State Terrorism"]

[Text] According to foreign reports, a conference was recently held by the so-called opposition groups from six countries from Central America, Africa, and Southeast Asia, who called themselves representatives of the resistance forces from Laos, Cambodia, Afghanistan, Ethiopia, Angola, and Nicaragua. The aim of the conference was to solicit additional military, financial, and political assistance from the White House. It is worthy of note that the conference was hosted by the so-called Foundation of the U.S. Security Councils which are a group of private conservative organizations. However, those addressing the conference were none other than Pentagon chief and U.S. Secretary of Defense Caspar Weinberger, Senator Robert Hearn [as received] of President Reagan's Republican Party, and some other U.S. congressmen.

This conference clearly unmasked the state terrorists. The U.S. imperialists have clamored throughout the world that they are against terrorism. With that deceitful declaration as the pretext, they sent planes to barbarously and cruelly bomb and kill the innocent Libyan people in April this year. In fact, the chief of state terrorism is no one less than the chief of the White House. Reagan arbitrarily sent troops to invade Grenada, approved several hundred million dollars to support counterrevolutionaries in Afghanistan, reactionary groups in Thailand, and counterrevolutionaries in Angola and Ethiopia, and, recently, coerced the Congress into allocating \$100 million to give assistance to the Nicaraguan counterrevolutionaries -- an act which runs counter to international law and the verdict of the World Court.

The conference of the so-called resistance groups from six countries in Washington is clear proof that Washington is further opening and dangerously promoting the cause of state terrorism. Thus, all sovereign countries, especially those who are threatened by the U.S. imperialists' state terrorism, must unite more closely and maintain a high sense of vigilance to smash all schemes of the U.S. imperialists and their henchmen.

As for Laos and Cambodia in particular, and the three Indochinese countries in general, the acts of state terrorism carried out by the United States against these countries are very obvious. The U.S. imperialists have not only colluded with the Beijing big-nation expansionist-hegemonists to train, feed, and arm exiled Lao reactionaries and Cambodian reactionary elements to be smuggled into Laos to undermine peace in Laos and to sabotage the revival of the Cambodian people, but have also colluded with Thai ultrarightist reactionaries to create tension along the Lao-Thai and Thai-Cambodian borders by supporting the exiled Lao and Cambodian reactionaries and by increasing the military might of the Thai Armed Forces by arming them with new artillery pieces, tanks, armored vehicles, and F-16 warplanes to threaten the revolution in the three Indochinese countries. More serious still, the U.S. imperialists and the Thai ultrarightist reactionaries have lately staged successive joint sea, land, and air military exercises in Thailand. At present, they have staged the largest ever joint military exercise near the Cambodian-Thai border, codenamed "Cobra Gold." In the meantime, the U.S. imperialists are holding detailed negotiations with their Thai counterparts to build a weapons reserve stockpile in Thailand. With regard to this development, the Japanese ASAHI SHIMBUN newspaper recently said that there is a tendency to reactivate the U.S. bases in Thailand.

All this means that preparations have been made for the U.S. Rapid Deployment Forces to carry out state terrorism against the revolution in the three Indochinese countries in general and to obstruct and destroy the national construction in our country and to oppose the revival of the Cambodian people. Nevertheless, the era in which the U.S. imperialists were able to do whatever they pleased in this region is now over. If they continue to obstinately support the exiled Lao reactionaries and the Cambodian reactionary groups, the nature of their state terrorism will be more clearly unmasked and condemned by peace- and justice-loving people in this region and throughout the world, including the American people themselves. As a result, they will suffer a defeat at the end as they did in the past.

#### PASASON EXAMINES 'TRICK' OF THAI ALLEGATIONS

BK270555 Vientiane Domestic Service in Lao 0500 GMT 24 Jul 86

[24 July PASASON commentary: "Expose the Trick of Accusing an Allegation Against Others, the Traditional Practice of the Thai Ultrarightist Reactionaries"]

[Text] According to a foreign news report on 22 July, Thailand has accused the Lao side of sending more troops to reinforce its forces along the two countries' border with a view to launching attacks in Thai territory. At the same time, radio Thailand has also arrogantly stated that the Lao side has plotted to attack vehicles traveling along roads and to plant bombs in Pua and Thongchang Districts, and so forth. This accusing others by the Thai ultrarightist reactionaries is unquestionably in line with their trick of slandering other people. Hurling an allegation against the Lao side has become traditional practice for the ultrarightist reactionaries in the Thai ruling circles. All their allegations are aimed at covering up their evil schemes against neighboring countries as well as covering up their brutal acts of acting upon orders of foreign countries without thinking about the interests of the Thai people and nation at all.

As everyone knows, in the past as well as at present, the ultrarightest reactionaries in the Thai ruling circles have totally protected and fostered hooligan reactionaries and bandits in Thai territory and have used them as tools to conduct provocations or launch armed attacks against neighboring countries and to create disturbances along the border areas, in particular with the PRK and the LPDR. Whenever the Thai ultrarightist reactionaries created any incident against Laos, they would hurl various allegations against the Lao side with a view to covering up their acts. Examples of this were the burning down of a school in Cheng Muang village, Tha Li District, [in Thailand's Loei Province] on 30 May and another incident in Huai Kong Village, Phayao District, Phayao Province, on 14 June. Nevertheless, such acts by the Thai side can deceive no one. They will only further expose even more clearly before the Thai people and the world the true nature and evil intentions of the Thai ultrarightist reactionaries who have colluded with the Beijing reactionaries in implementing the big-nation expansionist-hegemonist plot and with the imperialists in carrying out an arms race in Southeast Asia.

By fabricating another story slandering and accusing the Lao side of placing reinforcements along the border in preparation for launching attacks against Thailand, the ultrarightist reactionaries in the Thai ruling circles have not other purpose than to continue to gain more support from the United States with a view to expanding the U.S.-Thai military exercises -- which are currently being held in areas adjacent to the Thai-Cambodian border -- to areas adjacent to the Thai-Lao border.

This fanfare of fabrications, cooked up by the Thai ultrarightist reactionaries, is also aimed at creating additional conditions for the prompt making of the final decision on the building of the war reserve stockpile of the U.S. imperialists in Thai territory to favorably pave the way for the U.S. imperialists to return to Southeast Asia again.

These vicious acts of the Thai reactionaries have produced no good results to serve the interests of the two peoples of Thailand and Laos. On the contrary, they have only aggravated the already tense Thai-Lao situation which has resulted from the acts of the Thai ultrarightist reactionaries, thus serving the aspirations of the U.S. imperialists and the Beijing big-nation expansionists and hegemonists who have tried to fill this region with instability and confrontation, in particular to create tension along the Thai-Cambodian and the Thai-Lao borders so that they can finally have a pretext to directly oppose the revolutions of the three Indochinese peoples.

But, this trick by the Thai ultrarightist reactionaries of slandering and making allegations against others is already outdated. It can no longer fool anyone. It is certain that they, like their masters -- the U.S. imperialists and the Beijing big-nation expansionists and hegemonists -- will be defeated.

#### LAO REBEL LEADER INTERVIEWED AT BASE IN INTERIOR

PM290929 Paris LE FIGARO in French 21 Jul 86 p 3

[Charles Denou dispatch: "The 'Forgotten War' in Laos"]

[Excerpt] A Lao village -- [passage omitted] The Lao resistance exists, and I have met it. It usually operates quite a long way from the Thai border. Moreover, it took me several days of walking across mountains and through forests infested with mosquitoes and land leeches to reach one of its rear bases somewhere in northwest Laos where I was received by General Thonglith who, after 7 years of exile in France, returned to the underground in 1983.

This former pupil of the Paris military school, who is over 50 and pugnacious-looking, is one of the military leaders of the Laos United National Liberation Front, formed 5 years ago by a group of right-wing former Laos leaders. Its main driving force is General Vang Pao, former French Army officer, known for his charismatic appeal to the fighters from the Hmong mountain people who have been causing trouble for the Vietnamese occupiers for some time, estimated to have 60,000 men in the country.

The base I visited is a group of around 10 bamboo huts with a kind of courtyard in the center furnished with a few benches made from tree trunks. "This is our briefing room," Gen Thonglith told me, pointing to an old general staff map, faded by rain, hanging beside something which resembled a blackboard. Outside were young people carrying arms, some dressed in fatigues and others all in black, guarding the camp.



"We have done a considerable amount of work in 3 years. We have quietly infiltrated our men deep into national territory with the aim of winning the population's confidence and support. It is encouraging to see that people are increasingly disillusioned with communism. Some of our units have the mission of hindering supplies to the Vietnamese troops, especially in the center of the country. For instance, a few months ago we partly destroyed the pipeline bringing oil from the Vietnamese port of Vinh to Thakhek on the Mekong. Our commandos regularly attack enemy convoys along the strategic Highway 13 which crosses Laos from north to south."

As if to convince me more fully, the general showed me several photographs showing the "exploits" of his men.

When will Laos be liberated? Gen Thonglith, look serious, rubbed his neck as if to ease a pain, and answered: "The struggle will be long, but you do not need hope to wage it. We now have around 8,000 very poorly armed men. The enemy is 100 times superior and is overequipped. We are forced to fight a guerrilla war like the Afghans and the Khmer Rouge, especially because no country is helping us. The world has completely forgotten us."

Questioned about the source of the arms and supplies his troops have, the general was clearly embarrassed and reluctant to give details. "We have a wide assortment of weapons. We have American M-16s, Chinese AK-47'S, and Czechoslovak-made Kalashnikovs. We are not far from the Golden Triangle here; arms smuggling exists and is not new. What we lack is funds with which to buy arms. Hitherto our compatriots living in France and the United States have sent us some money, but it is a drop in the ocean compared with our needs. In addition we desperately lack medicines."

The general then led me to a hut bigger than the others, where his sick fighters were "resting." Some are suffering from malaria, others from beriberi, and yet others from skin diseases. A little further away was a 16-year old youth suffering from a nasty boil on his left leg. In one corner of the hut were Nivaquine and Ercefuryl boxes sent from France. They were empty.

Despite everything Gen Thonglith remains confident. "It took the Pathet Lao 30 years to seize power. It may take us less time. It will all depend on how the international situation develops and on what support, if any, the Free World gives our cause. Meanwhile, we will continue our long march, constantly keeping this proverb in mind: It is better to live in your own little home than in somebody else's mansion."

It is a message which is full of significance for Lao exiles.

INTERIOR MINISTER COMMENTS ON ELECTION TURNOUT

BK280930 Bangkok Domestic Service in Thai 0530 GMT 28 Jul 86

[Statement to newsmen by Interior Minister General Sitthi Chirarot, date and place not given -- recorded]

[Text] The number of eligible voters nationwide, as reported by the provincial administrations on 30 April 1986 which is regarded as the official figure, is 26,160,100. A total of 16,079,949 turned out for the 27 July election, making a record 61.43 percent turnout. This is good news and shows the considerable political awareness of the people. Chaiyaphum Province had the biggest turnout -- 85.19 percent; Buriram had the next biggest turnout -- 80.68 percent; while Nan's turnout was 79.83 percent. Bangkok had the lowest turnout percentage-wise -- 37.29, Nonthaburi next lowest at 42.16 percent, and Samut Prakan third lowest with 47.86 percent.

Five elected MP'S gained more than 100,000 votes -- Narong Wongwan in Phrae Province gained 156,698; Banhan Sinlapaacha in Suphan Buri, 151,096; Bunua Prasoetsuwan in Suphan Buri 134,351; Chumphon Sinlapaacha in Suphan Buri, 131,045; and Sano Thianthong in Prachin Buri 105,042. The over 60 percent turnout and the number of candidates receiving over 100,000 votes are good news for the 27 July election.

KHUKRIT SEES 'NO NEED' FOR 'OUTSIDER' PREMIER

BK300211 Bangkok THE NATION in English 30 Jul 86 p 2

[Text] Former leader of the Social Action Party (SAP) M.R. Khukrit Pramot said yesterday there is no need to invite an outsider to lead the coalition to be formed by the major parties which won the general election on Sunday.

He said the leaders of these parties are ready to be the next prime minister.

Speaking to reporters at his Suan Plu residence, Khukrit said he personally was of the opinion that only the Parliament should decide who the next prime minister will be. He was answering a question whether the prime minister must be someone acceptable to the armed forces.

Stressing that he had washed his hands of politics, the former premier said that it would be the most convenient if the three major parties (Democrat, Chat Thai and Social Action) could get together to form a coalition.

He declined to comment when asked about the possibility that Prem Tinsulanon is likely to be invited to lead the new coalition.

"I have nothing to do with it," he said.

However, Khukrit said that under the present circumstances the leaders of the major parties are prepared to be contenders for the premiership. "I see no need for an outsider to become prime minister," he said.

He said the present situation is different from that in 1983 when Prem had to be brought in as a compromise to lead the coalition.

Nine of the newly-elected MPs of SAP yesterday called on Khukrit to pay their respect.

Khukrit said so far nobody had consulted him about politics. "Even if people want to consult me, I would decline because I am no longer involved with politics," he said.

#### BUNCHU SUPPORTS PREM, SEEKS COALITION ROLE

BK300223 Bangkok BANGKOL POST in English 30 Jul 86 p 3

[Text] Community Action Party leader Bunchu Rotchanasathian reiterated his support for Gen Prem Tinsulanon to head the next government, saying no one else was better qualified to assume the premiership.

He said the country might have several equally capable persons to become the next prime minister, but Gen Prem was an honest person who has proven to be a capable leader.

Comparing his party to a young girl waiting to be approached by a man wanting to get married, Mr Bunchu said his party was ready to join the next coalition.

"But that does not mean CAP will go with any party. We will have to see how the coalition will be formed," he said.

Mr Bunchu said he met former Social Action Party leader M.R. Khukrit Pramot yesterday and was advised to wait for other political parties to approach him for talks.

He said the problem of the number of parties in the coalition was less important than whether the new coalition would be able to solve the country's economic problems.

#### DEMOCRATS NEGOTIATE TO FORM NEW GOVERNMENT

BK300227 Bangkok BANGKOK POST in English 30 Jul 86 pp 1,3

[Text] The Democrat Party caucus yesterday appointed a five-member committee to negotiate with other parties to work out an agreeable coalition with the party as its core.

Party sources told the BANGKOK POST that the Democrats prefer to have the interior, commerce and agriculture portfolios but would not mind if the next prime minister -- presumable Gen Prem Tinsulanon -- wanted to carry on as defence minister and to have a free hand in selecting his finance minister.

The sources said the Democrats regard the interior post as "desirable" and the foreign affairs portfolio as "negotiable". But the party has no conditions regarding the communications, education, public health, industry and justice portfolios.

Democrat spokeswoman Suphattra Matsadit said after a three-hour party meeting that the ad hoc committee headed by Democrat leader Phichai Rattakun was given only broad guidelines which require coalition partners to have similar or compatible platforms and the new government's economic policies to be based on those formulated by the Democrats.



She said no time frame was imposed on the committee, but Mr Phichai had said before the meeting that he expected it would take about two weeks to form the coalition.

Informed sources said the new coalition might be announced after Her Majesty the Queen's birthday on August 12.

Mrs Suphattra confirmed that the caucus made no mention of the Cabinet portfolios the Democrats want nor did it discuss the premiership issue.

"The premiership issue must depend on (political) circumstances. But it is hoped that he will be the leader of a political party," she said.

Stressing that the committee was authorised only "to negotiate," she said it will report to the caucus again before any agreement is reached.

Other committee members are Mr Phichai's deputies Marut Bunak, Banyat Banthathan, Khunthong Phuphiuduan, and party secretary-general Wira Musikapong.

Meanwhile, Army Commander-in-Chief Gen Chawalit Yongchaiyut and Democrat leader Phichai denied having met recently to discuss the government formation.

However, sources said they believed the two to be working through an intermediary. Gen Chawalit was also thought to be playing a key role in linking up possible coalition partners, although this could not be confirmed.

"I haven't met Khun Phichai for some time," Gen Chawalit said. Several newspapers had quoted Mr Phichai as saying that he had met the Army chief recently to discuss the new government.

Asked if any party leaders or their representatives had called on him recently, Gen Chawalit said many people had done so but their visits had nothing to do with the formation of the new government.

The Army chief said there was no need for the party leaders to seek his advice since all of them have "their own ideas."

"Take it easy. Everthing will be just fine," he said.

Speaking before the Democrat caucus, Mr Phichai denied having met either Gen Prem or Gen Chawalit. He also declined to discuss the coalition issue, saying that it was for the party caucus to decide on the matter.

He added that he was not aware of any attempts by the other major parties to supercede the Democrats as the core of the new coalition.

Mr Phichai said the Democrat Party had always tried to persuade voters to go for parties rather than individuals. But despite its efforts, the party still failed to win a majority in the House and this had caused problems as feared.

"Although the party has gained many more seats (compared to the previous election), it is still short of an absolute majority. So this is the way it is: he said.

Mr Phichai said the election results clearly showed that voters in many parts of the country still preferred to choose individuals rather than parties. He cited as an example the case of Dr Akhom Sorasuchat, his running mate in Bangkok's Constituency 4, who lost.

Mr Phichai said the formation of a new government should take about two weeks. "We'll talk again in two weeks," he said, adding that the delay would not pose a problem.

Asked whether he would accept the prime ministership, Mr Phichai said the issue would be decided by the party.

Democrat deputy leader Banyat Banthaththan said the government formation will be discussed at the party's caucus to be attended by the party's central committee and 100 newly-elected Democrat MPs.

#### 5-Party Coalition

BK300151 Bangkok THE NATION in English 30 Jul 86 p 1

[Text] A five-party coalition formula led by Prime Minister Prem Tinsulanon surfaced last night following the first round of informal negotiations, highly-placed sources in the caretaker government said.

The tentative composition has been relayed to Gen Prem who is still in Nakhon Ratchasima, the sources said.

According to the formula, the five parties in the new coalition will include the Democrat (100 seats), Chat Thai (63), Social Action (51) Rassadorn Party (18) and Ruam Thai (19). The proposed coalition will command a comfortable total of 251 seats in the 37-member House of Representatives.

RATSADOON Party is led by former Deputy Army Commander-in-Chief Gen Thianchai Sirisamphan while Ruam Thai Party is headed by former Agriculture Minister and ex-deputy leader of the Social Action Party [SAP] Narong Wongwan.

Under the formula, the Democrats will get 17 portfolios, while Chat Thai will get 10-11 Cabinet seats and SAP will get 8 portfolios in the new line-up. Ruam Thai and Rassadorn will get three seats each.

Prime Minister Prem's "quota" will compromise four Cabinet seats.

The sources said that Chat Thai, SAP, Ruam Thai and Rassadorn had in fact held talks earlier and agreed on the principle that Gen Prem will resume premiership. The Democrat Party was the last to agree to the proposed formula last night "because of some internal disagreement within the party on the issue of who should be the prime minister."

With a more flexible stand taken by the Democrat Party's leadership yesterday, behind-the-scenes talks last night managed to agree on the composition, with the consent from the Democrats that Gen Prem would head the new coalition government.

If the formula is finally carried out, the new coalition will hold a clear majority in the Lower House while the opposition camp will comprise some tough, veteran political groupings that could pose an exciting, if not formidable, challenge in several quarters.

For one thing, the anti-Prem United Democratic Party (UDP) led by Buncheng Thongsawat which has 38 House seats will not let the new coalition go unchallenged over several key issues while Prachakon Thai Party, a former coalition partner, whose House strength has been reduced to 24, will not wait idly by. Bunchu Rotchanasathian's Community Action Party, with 15 seats, will take on the government on some basic economic issues.

The Progressive Party under former House Speaker Uthai Phimchaichon, with 9 seats, has said it will be in the opposition camp with its insignificant number of MPs in the House. But the divergent non-government parties do comprise some very well-connected personalities who could make the new political scheme of things lively and politically vulnerable to a certain extent.

"The new government under this five-party formula will be reasonably firm but the number of opposition parties is large and every one of them is a potential challenge in itself. The new game will be much more lively than the previous one when Chat Thai was the only opposition party," said an informed analyst.

The final touch to the coalition formula is expected to be completed in the next few days.

#### MP'S SAID 'COMING TO TERMS' WITH PREM AS PREMIER

BK300245 Bangkok BANGKOK POST in English 30 Jul 86 p 3

[Text] After high anti-Prem feeling during the elections, many MPs yesterday appeared to be coming to terms with the likelihood of the incumbent Prime Minister continuing in the post.

Social Action Party [SAP] MP for Khon Kaen Phone Sarasin, when asked if the premier should be an elected MP, said: "He can be anyone who is honest and just, can coordinate the various factions and can carry out his duties."

Asked if the prime minister could be Gen Prem, Mr Phone said: "I have not thought about it. But it depends on the party leaders. I don't know if they will accept it."

Chat Thai secretary-general Banhan Sinlapa-Acha said Gen Prem's return depends on whether the various political parties can agree on who they want.

Asked if it could be one of the leaders of the big parties, Mr Banhan said, "maybe the other parties won't accept it."

Asked if the leader of a small party could be Premier if the large parties cannot agree, Mr Banhan said, "If the large parties can't agree then they would have to go for a middle man from outside. If you take a leader of small party that means it will be a coalition of numerous parties and then the Government can't stay long."



He said that by political etiquette the largest party should be the core in forming the coalition and Chat Thai will not try to combine with the SAP to out stage the Democrats. He said that the largest party should also take the House Speaker position without having to go through a battle in Parliament.

He also said that since the economy is the main problem that every party will have to tackle all of them should be allowed to play a part in solving economic problems.

Chat Thai deputy leader and Ratburi MP Thawit Klinprathum said that things could still change as to which parties would be included in the coalition. "Now the Democrat is the core with the Chat Thai and the SAP as the constant factors. But in the past we have seen that the core party have lost their edge to other parties," Mr Thawit said.

Asked if things could turn out like the situation in 1975 when the large parties lost their edge to the SAP and M.R. Khukrit Pramot became Prime Minister with only 18 seats in the House, Mr Thawit said, "there are some indications that that is possible."

The only MP to voice objections to Gen Prem becoming the Prime Minister were Chat Thai MP for Bangkok Col Prachak Sawangchit and former party leader Maj-Gen Praman Adireksan.

Maj-Gen Praman said that by democratic principles the Premier should be an elected MP. "MPS come into Parliament with blood, sweat and tears and they should take the position. They are also in close contact with the people and non-MPS are not and don't know the real problems facing the people," Maj-Gen Praman said.

"Gen Prem said that he has no political ambition so we shouldn't go and try to force him to become Prime Minister. The fact that he said he has no ambition means that he does not want to be Prime Minister," Maj-Gen Praman said.

Asked if the leader of a small party of Mr Phichai Rattakun could be Premier, Maj-Gen Praman said that this depends on the agreement that the political parties could reach.

He said that the setting up of the Government should not take long and that agreements on which parties would be responsible for the economic portfolios should not be difficult to achieve.

Col Prachak said that all the political parties should bear in mind their promises to the people during the election campaign. "They must think about their promises to the people when they choose the Prime Minister. They shouldn't think too deeply that a civilian cannot be the Premier. If the person did not come from the elections he should not get any acceptance," Col Prachak said.

However, he said that if it came to a party decision he will not oppose it. "I will abide by the decision of the party but I won't raise my hand in support. It's better if they cut my hand than if I should support Prem," Col Prachak said.

The former Young Turk leader said earlier in the morning at the Bangkok Metropolitan Administration that he is forming a "dump Prem" movement with MPs from various parties.

PARTY LEADERS OFFER COMMENTS ON NEW PREMIER

BK300243 Bangkok BANGKOK POST in English 30 July 86 pp 1, 3

[Text] Ratsadon Party leader Gen Thianchai Sirisamphan said Thailand is ready to have an elected MP as premier but other factors must be considered as well.

In Chon Buri, former House Speaker Uthai Phimchaichon said yesterday his Progressive Party had no objection to a non-MP prime minister. His remark contradicted his early statements which strongly backed an MP for the premiership.

Democrat Party deputy leader Gen Han Linanon reiterated yesterday that the prime minister "in principle" should be an elected MP.

Gen Thianchai, whose party won 18 seats in the general election and who is widely tipped to join a new coalition government, made the comment after meeting his MPs at the Ambassador Hotel.

He said his party authorised him to negotiate if contacted by major parties, but while none has done so, he had held unofficial talks with Chat Thai leader Maj-Gen Chatichai Chunhawan.

Gen Thianchai said Thailand could now have a premier who was an MP. In the past, he said, disputes among political parties had prevented an MP from taking the post.

He said one vital consideration is whether a would-be premier is qualified.

Gen Thianchai said a civilian government headed by an elected MP may not last despite its ability. Other factors needed to be considered, he said.

Gen Thianchai said his party had no objection to the Democrats leading the coalition.

The general said his party would make no demands to join a coalition but would review the intentions of any party which approached the Ratsadon Party.

Meanwhile, Uthai Thani MP Col Phon Roengprasoetwit of United Democratic Party [UDP] said the prime minister must be an MP. The new premier must be decisive in solving the country's problems.

He said an elected MP knows the hardships the people are facing. Any party leader can become a prime minister, he said.

He said his constituents were fed up with the outgoing government because they believed it could not help them sell agricultural products at good prices. He said the new premier must not resort to favoritism.

"If leader of any major party cannot be a prime minister, he should not be in politics at all," he said. He said parties should ignore military threats if they decide to form the government their own way.

UDP leadere Buntheng Thongsawat is to represent the party in coalition talks, he said.

Meanwhile Parliament President Ukrit Mongkhonnawin said since no political parties have gained a clear majority in the House of Representatives they must first consult each other on the composition of the coalition government and who should become the prime minister.

Dr Ukrit said the parties should nominate such a person whose name he will submit to His Majesty the King as the next premier.

He said Parliament will be called to session by a Royal Decree. After that the Parliament secretary will call for a session to elect the House Speaker and deputies.

He pledged to perform his duty to the best of his ability.

In Chon Buri, former House Speaker Uthai Phimchaichon said yesterday that as a small party the Progressive Party has no objections to a non-MP prime minister. His remark contradicted his early statements which strongly backed an MP for such post. The party won nine seats in the election.

The Chon Buri MP said that he was prepared to again assume the post of House Speaker if most parties support him.

Mr Uthai yesterday had a meeting with Chon Buri Governor Sup Rotprasoet during which he reportedly asked the governor to take decisive action against 12 election officials who were allegedly caught cheating at two polling units in Tambon Saensuk on Sunday.

#### THAI TROOPS CLASH WITH CPM INSURGENTS 28 JUL

BK300247 Bangkok THE NATION in English 30 Jul 86 p 2

[Text] Three government troops were wounded in a clash with insurgents of the Communist Party of Malaya (CPM) in the southern province of Yala on Monday, a senior military official said.

Col Chamnong Phairot, commander of Civilian, Police and Military Force 43, told THE NATION yesterday that two rangers and an infantryman were seriously injured when they stepped on landmines during the clash with about 10 CPM insurgents in jungle-clad mountains on the boundary of the three districts of Betong, Bannang Sata and Than To.

The commander said more than 10 troops of the Phairot task force, one of two task forces currently fighting against CPM guerrillas in the jungled mountainous area in Yala, have been wounded since the middle of this month.

He said the Fourth Army Region on July 12 began Operation 293, which is being carried out by the Ekkachat and Phairot task forces, to drive CPM guerrillas out of Yala.

The Phairot task force is commanded by Col Chamnong while the Ekkachat is led by Col Ekkachat Siwannaphruk.

Chamnong said government troops have captured two satellite jungle camps of the CPM in Yala during Operation 293. More than 200 CPM insurgents were reportedly operating in the area.



NHAN DAN VIEWS GORBACHEV'S VLADIVOSTOK STATEMENT

OW301157 Hanoi VNA in English 0710 GMT 30 Jul 86

[Text] Hanoi VNA July 30 -- NHAN DAN today editorially acclaims the Soviet Union's important peace initiatives for Asia and the Pacific as expounded in M. Gorbachev's statement in Vladivostok on July 28.

NHAN DAN says: "Asia and the Pacific, scene of the most bloody and prolonged wars and of the most drastic changes during the past four decades, remains to this day one of the hotbeds of bitter struggle. Not resigning themselves to their setback; U.S. imperialism and other reactions [as received] are colluding with one another to increase their military forces in this part of the world.

"Contrary to the reactionary strategy of the U.S., the policy of the Soviet Union towards Asia and the Pacific is one of peaceful coexistence among nations of different social systems.

"With regard to the situation in Southeast Asia and Kampuchea, and the relations between Vietnam and between the three Indochinese countries and other countries in this region, the Soviet Union has reiterated its stance for maintaining and promoting political dialogues, continuing to seek possibilities of limiting armaments and improving the international situation, and promoting constructive cooperation among nations."

The paper goes on:

"The Vietnamese people, now as before, always cherish the traditional friendship between the peoples of Vietnam and China. Responsibility for the worsening relations between the two countries and the tension along the Sino-Vietnamese border rests completely with China. If China really wants peace and better relations with neighbouring countries, it must give up at once its hostile policy toward Vietnam and the other countries of Indochina, and negotiate with Vietnam to solve the problems still existing in their bilateral relations, and as an initial step, stabilize the situation along the common border and create favourable conditions for the normalization of the relations between the two countries, thereby contributing to making Southeast Asia and Asia a region of peace, stability and cooperation."

"The Vietnamese people firmly allying themselves with the fraternal peoples of Laos and Kampuchea, closely uniting and cooperating in all fields with the Soviet Union and other socialist countries, are determined to actively contribute to the common struggle for peace, security, mutual understanding and cooperation among nations" NHAN DAN concludes.

VNA REJECTS 'SLANDEROUS' XINHUA REPORT

OW291547 Hanoi VNA in English 1504 GMT 29 Jul 86

[Text] Hanoi VNA July 29 -- VIETNAM NEWS AGENCY today is authorized to reject a slanderous report of the Chinese news agency XINHUA on July 26, 1986 that Vietnamese troops in Kampuchea have poisoned foodstuff and vegetables in some markets in Kampot Province.

This is Beijing's cunning move to sling mud at Vietnam in an attempt to paper over its continued backing of the genocidal Pol Pot clique to work against the Kampuchean people's rebirth.

COMPARISON OF NHAN DAN COMMENTARY ON THAI, U.S. TALKS

Hanoi International Service in Thai at 1130 GMT on 23 July transmits a 19 July NHAN DAN commentary entitled " Dangerous Moves by Washington and Bangkok". This Thai version of the NHAN DAN commentary has been compared with the Hanoi Domestic Service Vietnamese version published in the 21 July Aisa & Pacific DAILY REPORT, page K 5, revealing the following variations:

Paragraph one, line five in the Hanoi Thai version reads: defense secretary. This is a dangerous move paving the way for U.S. soldiers to return to Thailand and increasing the U.S. military presence in Southeast Asia. This also constitutes (adding new sentence)

Paragraph two, line three in the Hanoi Thai varison reads: and the Pacific, which is to destroy the Soviet Union and the socialist community, the national independence movements in Southeast Asia and Asia and the Pacific? (adding phrase)

STATION EDITOR ON NEW U.S. 'DANGEROUS SCHEMES'

BK251337 Hanoi Domestic Service in Vietnamese 1400 GMT 24 Jul 86

[Station Editor Vu Dinh Vinh's feature: "Heighten Vigilance for National Defense"]

[Text] Dear comrades and friends, implementating their counterrevolutionary strategy, the imperialist and reactionary forces have again plotted new dangerous schemes and actions. Recently in Washington, the U.S. administration called a meeting of its henchmen to discuss measures aimed at opposing and sabotaging the revolution in each country and in the world. These lowly henchmen -- who are leaders of counterrevolutionary organizations in Nicaragua, Afghanistan, Angola, Ethiopia, Laos, and Cambodia -- have assembled in the United States at the command of their masters. They have considered opening an office in Washington to facilitate the coordination of their activities. The U.S. National Security Council gave a banquet for these henchmen. Attending the banquet U.S. Defense Secretary Weinberger affirmed the Reagan administration's total support for these henchmen and pledged not to abandon them. However, Weinberger bluntly told this group of henchmen that U.S. support depends on the condition that they will act as directed by the United States.

The henchmen happily boasted that Washington had given the UMITA rebels in Angola \$15 million in military aid, including ground-to-air missiles and antitank weapons. Earlier, the United States had given the reactionary Contras in Nicaragua \$100 million in aid. It is believed that the remaining henchmen, including the genocidal killer Pol Pot -- will also get their generous shares of aid from their masters.

Indeed, it is true that in the Reagan administrations' global policy of expansion, southeast Asia is being given fairly special attention by the United States. Colluding with the Chinese ruling circles and other reactionary forces, Washington has pursued a hostile policy toward the Indochinese countries, opposed the rebirth of the Cambodian people, and supported and helped foster the Pol Pot clique and other Khmer reactionary groups.

The U.S. Administration is also taking very dangerous actions aimed at paving the way for the return to Thailand of U.S. troops and intensifying its military presence in Southeast Asia. While Bangkok is making slanderous charges about Vietnam sending troops into Thailand and Vietnamese Army volunteers in Cambodia setting up positions 500 meters deep inside Thai territory, and U.S. and Thai forces are conducting a large joint military exercise code-named "Cobra Gold '86" not far from the Thai-Cambodian border, the United States and Thailand have openly held a new round of talks in Bangkok on the establishment of a U.S. arms stockpile in Thailand. These new talks were aimed at concretizing what had been agreed upon between the two sides during U.S. Defense Secretary Weinberger's visit to Thailand early in April.

Commenting on this, the Japanese paper SANKEI SHIMBUN pointed out: The United States is formulating a long-term strategy aimed at turning Thailand into a prop of the Pentagon in this region. It can be clarified further that the establishment of U.S. arms stockpile in Thailand serves no other purpose than to directly oppose and sabotage the revolution in the three Indochinese countries and, at the same time, to realize the new U.S. doctrine on Asia and the Pacific which is aimed at opposing the Soviet Union and the socialist community and undermining the national independence movement of nations in Southeast Asia as well as in Asia and the Pacific as a whole.

A dangerous design of the United States was revealed during the recent trip to Asia and the Pacific by U.S. Secretary of State Shultz. It is to turn Southeast Asia into an arsenal of nuclear and other mass-killing weapons. The Pentagon deems that its new nuclear bases in Southeast Asia, coupled with the existing ones in Japan and South Korea, would form a gigantic network of nuclear bases in Asia and the Pacific aiming at the Soviet Union and other socialist countries from the east and southeast.

Nevertheless, peoples in the region, fully aware of this dangerous design of the United States, have put up a firm resistance. Many countries have expressed their attitude. They support continued Soviet-U.S. dialogue and continued maintenance of the SALT II treaty. The Indonesian foreign minister stressed that no nuclear umbrella is needed whatsoever. Speaking at a seminar on foreign policy held recently by the Indonesian Ministry of Foreign Affairs, Minister Mokhtar Kusumaatmaja again declared that Indonesia supports the initiative of the countries in the South Pacific on setting up a nuclear zone weapons free in this region. He disclosed that Indonesia is planning a conference on the establishment of a zone free of nuclear weapons in Southeast Asia.

Meanwhile, mass organizations in the central islands of the Philippines have recently declared their islands to be a zone nuclear weapons free zone, prohibited the use of these islands as sites for foreign military bases and arsenals, and banned the landing there of aircraft carrying nuclear weapons. In the view of public opinion, this new initiative by the people of the Philippines shows that they are protesting against the United States because the Washington administration is trying to steer their country into the orbit of the adventurous U.S. policy in Asia and the Pacific.

Our people and the peoples of the other Indochinese countries -- with their goodwill for peace and constructive attitude -- are resolved to struggle against aggressive and reactionary forces for a peaceful, stable, and cooperative Southeast Asia; and thus, they are joining the broad struggle of nations for peace in every region as well as in the world.



Recently at the United Nations, the Special Committee on the World Disarmament Conference consisting of delegates from 40 member countries held its second meeting in 1986 to discuss the possibility for holding the World Disarmament Conference. It is also necessary to recall that at present, warlike forces led by the United States have created a very tense and complicated situation in the world. Washington and its NATO allies have been plunging ever more deeply into the arms race, intensively building up a dense network of military bases together with a gigantic military force equipped with modern war means in many regions. Following the SDI -- "star wars" -- Program of the United States, a number of NATO member countries have put forward the EDI -- European Defense Initiative -- program, making the arms race in outer space even more dangerous and extremely costly. On 17 July, the Pentagon conducted another underground nuclear test with a 150-kiloton blast in Nevada; and on 19 July, U.S. President Reagan brazenly defended the SDI program.

Today, everyone can see that the arms race initiated by the United States and other imperialist countries not only threatens the survival of mankind, but it is also one of the chief causes leading to serious socioeconomic difficulties in many countries, especially the developing ones. World disarmament is an imperative demand of mankind and an issue relating to the destiny of all nations. As part of this issue, nuclear disarmament is the most urgent problem. It is universally known that the Soviet Union has set a shining example in this area by putting forward a series of important peace initiatives, including the overall program to totally eliminate nuclear weapons by the year 2000; and the Soviet Union has taken the first step by unilaterally suspending all nuclear tests since August 1985 until now.

Last June, the Warsaw Pact member countries also offered to the NATO and European countries realistic proposals for a disarmament process in this strategically important region. The peace initiatives and proposals of the Soviet Union and other socialist countries clearly reflect the lofty sense of responsibility displayed by the socialist community toward the fate of mankind; and, at the same time, they lay bare the negative and blindly adventurous attitude of the United States and other reactionary imperialist forces. They also serve as reminders urging all nations to persist in the struggle for peace and independence of their own as well as in each region and throughout the world.

#### CPV CENTRAL COMMITTEE GREETES KPRP ON ANNIVERSARY

BK261608 Hanoi NHAN DAN in Vietnamese 28 Jun 86 pp 1, 4

[Text] On 26 June, the CPV Central Committee sent a congratulatory message to the KPRP Central Committee. The message says:

Dear comrades,

On the occasion of the 35th founding anniversary of the KPRP and on behalf of the CPV, the Vietnamese working class and people, we convey to the KPRP Central Committee and through you, to all fraternal Cambodian party members, the working class, and people our most profound and warmest greetings.

Over the past 35 years, promoting the national tradition of undaunted and indomitable struggle and the glorious revolutionary cause of the Indochinese Communist Party founded by President Ho Chi Minh, the KPRP has successfully led the Cambodian people through a protracted struggle full of difficulties and hardship to win great victories over the colonialist and imperialist aggressors and overthrow the genocidal Pol Pot-Ieng Sary regime, henchmen of the Chinese expansionists and hegemonists.  
[paragraph continues]

These victories have ushered in a new era of total independence and genuine freedom for Cambodia which is embarking on a period of transition to socialism.

Over the past 7 years since the historic victory on 7 January, 1979 and implementing resolutions of the Fourth and Fifth KPRP Congresses, the Cambodian people who are genuine patriots, diligent, and brave have carried out tasks on reviving the country and scored inspiring achievements in national construction and defense. The Cambodian economy is being restored; the cultural, education, and public health fields have been developed; the people's daily life has gradually been stabilized; and political security and social order and safety are maintained. The people's administration at various echelons is being firmly consolidated. The young people's republic, full of vitality, is developing and strengthening vigorously its superiority and prestige at home and abroad. With a foreign policy of peace, independence, friendship, and cooperation, the Cambodian revolution has won more and more sympathy and support from revolutionary and progressive forces all over the world. The international prestige and position of the PRK are rising.

These glorious achievements and especially the 1984-85 dry season victories have continuously enhanced the position and strength of the Cambodian revolution and constituted a great contribution to the common struggle for peace and stability in Southeast Asia as well as for peace, national independence, democracy, and socialism the world over.

Dear comrades,

The militant solidarity and the pure, faithful fraternal friendship between our two parties and peoples have been tested and forged through the protracted revolutionary struggle in each country which are based on the principles of Marxism-Leninism and proletarian internationalism. This solidarity and friendship has consistently been strengthened and is invincible to all enemies. The special relationship between Vietnam and Cambodia and between Vietnam, Cambodia, and Laos is a decisive factor guaranteeing all victories of the revolution in each country as well as of the common cause of the three countries on the Indochinese peninsula.

Loyal to President Ho Chi Minh's testament, the party and people of Vietnam pledge to do their best to fulfil their lofty internationalist duty toward the fraternal Cambodian people's revolution, strive to strengthen the special relationship between Vietnam and Cambodia as well as between Vietnam, Cambodia, and Laos in order to make it evergreen and last forever for the vitality of each country and for the common interests of our three countries.

The Vietnamese party and people will forever remember the great and valuable support and assistance, full of fraternal sentiment, provided by the fraternal Cambodian party and people to the Vietnamese people's revolutionary cause.

We wish the KPRP and the fraternal Cambodia people new and ever greater achievements in their undaunted struggle to protect the revolutionary gains and in their socialist revolution.

Long live the glorious KPRP!

Let the militant solidarity, the great friendship, and the comprehensive cooperation between the Vietnamese-Cambodian parties and peoples last forever!

Long live invincible Marxism-Leninism!

On this occasion, Phan Trong Tue, chairman of the Vietnam-Cambodian Friendship Association also extended greetings to his Cambodian counterpart, Chan Ven.

#### LEADERS' ACTIVITIES ON WAR INVALIDS DAY REPORTED

PW270757 Hanoi VNA in English 0723 GMT 27 Jul 86

[Text] Hanoi VNA July 27 -- President of the Council of State Truong Chinh has sent a letter to war invalids, sick soldiers and families of fallen combatants on the occasion of the War Invalids' Day (July 27).

In his letter, President Truong Chinh called on the entire people and army to implement the party and state's policies toward the war invalids, sick soldiers and families of fallen combatants to give them preferential treatment in the economic, cultural and social life.

On this occasion, General Van Tien Dung, Political Bureau member of the Communist Party of Vietnam Central Committee and minister of defence, has visited the tailoring enterprise of war invalids in Ha Nam Ninh Province. Nguyen Van Linh, Politburo member and secretary of the CPV CC, has toured the July 27 engineering enterprise of disabled soldiers in Ho Chi Minh City.

Today, the dailies NHAN DAN and QUAN DOI NHAN DAN run editorials marking this anniversary and paying homage to all those who have worked with self-abnegation for and even sacrificed their lives to the cause of national defence and socialist construction.

#### CORRECTION TO LE DUAN FUNERAL COMMITTEE LIST

The following correction pertains to the item headlines "Funeral Committee Listed" published in the 11 July Asia & Pacific DAILY REPORT, page K 1, name number six:

6. Vo Chi Cong, Political Bureau member of the CPV Central Committee and vice chairman of the Council of Ministers. (correcting title)



AUSTRALIADELEGATION TO OPPOSE U.S. SUBSIDIZED WHEAT SALES

BK300214 Melbourne Overseas Service in English 0130 GMT 30 Jul 86

[Excerpt] An all-party parliamentary delegation leaves Australia later today for Washington where they will lobby against American plans to sell subsidized wheat to the Soviet Union and China. Australia has already protested to the United States over the plan which targets wheat subsidies at Australia's two largest wheat markets. The government has said the move threatens up to \$1,000 million worth of Australian wheat sales -- or about U.S. \$610 million.

A Radio Australia Canberra reporter says the delegation, which is being led by the minister for primary industry, Mr Kerin, leaves with a united front after agreement from one member not to raise the issue of United States bases in Australia. The member, Senator Macklin, of the Australian Democrats, said earlier this week that the joint bases were the only bargaining advantage Australia had in its negotiations with American officials. However, he has now agreed not to raise the issue publicly during the visit. [passage omitted]

NUCLEAR MONITORING SITE PLANNED FOR CANBERRA

BK280928 Melbourne Overseas Service in English 0830 GMT 28 Jul 86

[Text] Australia is expected to have its own monitoring capacity for nuclear tests by the end of the year. The monitoring center is being installed at the Bureau of Mineral Resources in Canberra as part of the federal government's disarmament program. It will give Australia the capacity to exchange information on both nuclear explosions and earthquakes with other independent monitoring centers in Sweden, Norway, and Canada.

The head of the Australian Seismological Center, Dr (David Denniman), says the center will be able to monitor French nuclear tests at Mururoa Atoll in the South Pacific as well as nuclear tests in the Soviet Union, China, and India. It is hoped the center will begin operating in September in time for an international symposium on nuclear issues organized by the Foreign Affairs Department.

GOVERNMENT MOVES TO SUPPORT RECOVERY OF DOLLAR

BK290214 Melbourne Overseas Service in English 0130 GMT 29 Jul 86

[Text] The Australian dollar has steadied on overseas money markets closing at 61.5 U.S. cents in New York -- down slightly, but stable compared to yesterday's wild swings. The plunge of the Australian dollar on world markets which at one stage saw it trading as low as 57 U.S. cents prompted the federal government to announce a package of measures aimed at supporting the dollar's recovery.

Under the changes, there will be a relaxation of foreign investment restrictions in the manufacturing and real estate sectors. The government also decided to abolish certain taxes that affect investment by foreign residents in Australia.

Papua New Guinea

MINISTER URGES GREATER U.S. PRESENCE IN PACIFIC

BK290922 Melbourne Overseas Service in English 0800 GMT 29 Jul 86

[Text] Papua New Guinea's primary industry minister, Sir Iambakey Okuk, says he wants a greater American presence in the Pacific through fishing interests to prevent Soviet expansion in the area.

Sir Iambakey said the Americans would counter communist influence and threat. He said these were being experienced with links already established between Vanuatu, Kiribati, and Russian fishing interests.

Sir Iambakey said such links would be utilized by Soviet fishing boats to transport weapons from Russia and Cuba to OPM [Free Papua Movement] separatist rebels in Indonesia's province of Irian Jaya.

MALAYSIACOMMENTARY LAUDS REULING PARTY'S POLICIES

BK281135 Kuala Lumpur International Service in English 0800 GMT 28 Jul 86

[Station commentary]

[Text] The various political parties that are contesting for seats in the Malaysian general election for both parliament and 11 state legislative assemblies have published their manifestos. Particular attention naturally will be paid to the manifesto of the ruling party coalition, the Barisan Nasional, and those of the principal opposition parties, such as the Democratic Action Party [DAP] and the Pan Malaysian Islamic Party [PAS].

The prime minister, Dr Mahathir Mohamed, in his capacity as president of the Barisan Nasional, or National Front, has issued an open letter to the people of Malaysia. It is written in clear and simple language and expresses several perceptions and frank ideas that the prime minister feels ought to be taken into account seriously by the voters. If read together with the manifesto, it is a blueprint for stability and continuity of policy against the backdrop of the world economic recession and the Malaysian internal political situation.

The ruling party's manifesto is a call for national unity and an opposition to fanaticism and extremism of any sort. It draws attention to the dire consequences of intolerance and the deliberate aggravation of communal feelings. At the same time, the people have been reminded of the success of many projects aimed at promoting higher living standards and enhancing the quality of life. The Malaysian war on poverty, with specific attention to the rural areas, began after the achievement of independence.

The Barisan Nasional manifesto reiterates this commitment to poverty eradication, not only in rural areas but also in the urban sector and in the plantation and land development schemes. The commitment to settle the unemployment problem has also been underscored in the National Front's manifesto. The policy statement is clear that all illegal immigrants will be deported. The desperate length to which such illegal immigrants will go to gain a foothold in this country is a proof of Malaysia's affluence and political stability. The finance minister, Encik Daim Zainuddin has also stressed this factor. The opposition DAP is aware that the Barisan Nasional, or National Front, will be returned to power. Therefore, its own objective, that has been stated very clearly, is to secure a larger number of seats in this election so as to prevent the ruling party from obtaining a two-thirds/majority parliament. However, as the prime minister says a government can function with a simple majority. It is just that since independence, the ruling National Front has always enjoyed a two-thirds majority here.

The PAS has been talking about the establishment of an Islamic state. The fact is that Islam is the official religion of Malaysia while all faiths are also freely practiced. All right-thinking Malaysians will reject any party or candidate who uses religion as a root to political power. In the words of the National Front's manifesto, freedom of worship is guaranteed, but any attempt to exploit religion and to inflame passion to turn men against men must be condemned.

The Malaysian voters are more sophisticated today than the electorate who in 1955 voted in our first general election. There is no doubt that the majority of seats will be won by the National Front, thus assuring stability.



MALAYSIAN UNITED ISLAMIC FRONT MANIFESTO

BK290052 (Clandestine) Voice of the People of Malaysia in Malay 1230 GMT 27 Jul 86

[First part of "9 June 1986 Manifesto" by the newly established Malaysian United Islamic Front unveiling the objectives of its struggle: "To expose all the evil deeds done by the UMNO ruling clique, and to put forward priorities to protect the interests of the Muslims"]

[Text] 1 Shawwal 1406 Hegira or 9 June 1986 was the Id al-Fitr day -- a highly revered and auspicious day for all Muslims all over the world. In conjunction with this happy day, the Malaysian United Islamic Front was formally established. This is important and good news to the people throughout the country in general and to Muslims in particular. We thank God the Almighty and the most merciful for His blessing in making it possible for the Malaysian United Islamic Front to be established. We have full confidence that the Malaysian United Islamic Front will be able to cope with all ups and downs and continue to expand with the support of a wide circle of people in general and of Muslims in particular. It will also contribute positively in its struggle for the interests of the country, race, and religion. As a newly established force, the Malaysian United Islamic Front will intensify efforts begun by the preceding organizations which went forward to seek justice under the banner of Islam even though a blood bath was unavoidable. The front will be loyal in making its objectives a reality -- that is, to attain the respectable Islamic religious tradition and to spread the teachings of Islam, uphold the purity of Islam, fan the spirit of patriotism; to unite all Muslims and make them participate actively in efforts to create a sense of loyalty to the country, race and, religion; to expand as well as draw closer friendship with political parties, groups, and individuals that love the country, democracy, and peace; to uphold justice, freedom, and human rights; to oppose tyranny and set up a government which protects the interests of the people and is blessed by God.

Malaysia is a multiracial country with various religions and cultures. Its people are composed of the Malays, Chinese, Indians, Kadazans, Ibans, and others. Among these races, the Malays who are Muslims make up more than half of the total population in the country. Similar to other races in the country, the Malays also belong to the oppressed group although they have contributed to the prosperity of the country along with other races. The Malays have also participated in community development programs in the country but they still live in misery and the wealth of the country is not for them to enjoy. The majority of poor Malays who practice the Islamic religion have a respectable tradition in struggling against foreign forces. It is taboo for them to bow to other powers and they hold high the banner of patriotism. They are known to have struggled against foreign aggressors, such as the Portuguese, Dutch, British, and the Japanese. In the struggle against these foreign aggressors, the Malays sacrificed a great deal and their heroic deeds are unforgettable.

Since the achievement of independence, the great number of the poor Malay people continued to carry out a brave struggle against imperialism and the ruling groups which went against God's will in oppressing and being cruel to the people. In recent years, the Malays, who are becoming more conscious of the fact that they are being oppressed, continue to expose and oppose the hypocrisy of the ruling group which claims to rule the country in accordance with Islamic teachings when it does not. This struggle has come to a new phase and is threatening the treacherous government of the ruling group.

The above said facts tell us that the people of the Malay race - which has a respectable tradition of struggle - are a force which cannot be defeated by others. So long as they unite closely and struggle for something blessed by God until the end, eventually, victory will be theirs. However, there is a handful of those in the ruling group who belong to the upper class that reject the will of God. In Sura (?al Qad), sentence 26, God commands: "You should not follow all your heart's desires because some desires may lead you away from the right path". No one in the ruling groups practises the mentioned command of God, neither that of the Abdul Rahman era nor anyone else up to the present one. As a matter of fact, they promote the antipopular and anti-democracy policies inherited from the British so as to protect their own interests. They rob the natural resources, oppress the people, and continue to play their charades. They make use of religious values to secure their governments, and carry out various evil deeds contradicting the teachings of Islam. Ever since independence, the livelihood of the majority of Malays who are Muslims continues to be neglected and for that matter, they live under cruel oppression and exploitation of the ruling group. Life becomes more miserable, so to speak. All the while, the ruling group has made verbal promises to the people in our country, particularly the Malays. It seems that it promises to eradicate poverty among the Malays, to narrow the wide gap between the rich and the poor. It also promises to raise the standard of living of the Bumiputera [indigenous people], to protect the fate of the Malays, and so on. However, all these are empty promises and the people have been cheated.

In fact, the so-called special Malay rights loudly echoed by the ruling group have not brought about any benefits to the poor Malays. On the contrary, many UMNO [United Malays National Organization] big shots have become millionaires and billionaires by plundering national resources under the slogan of preserving the special Malay rights, while the Malay working masses, particularly rural Muslims, are living in misery. According to statistics issued by the government in 1985, there were more than 4,000 Malay villages [words indistinct] in the peninsula. These undeveloped villages are facing many problems such as declining agricultural production, massive urbanization among the youths, abandonment of agricultural lands, lack of proper medical services, inability of children to continue their education, and so on. The monthly income of every village family is far below 330 ringgit which the government has set as the poverty line. The majority of the villages are scattered in Kelantan, Terengganu, Kedah, and Perlis. These facts prove that the ruling group is hypocritical. Almighty God will definitely condemn its hypocrisy.

For years, the UMNO ruling group has been heavily dependent on and indebted to the foreign monopoly capitalists. At home, it is stepping up activities to plunder national resources. As a result, the country and people are burdened with heavy debts. The national economy is facing difficulties. Inflation is soaring. The prices of goods are rising. The prices of agricultural products are declining. Taxes are increasing. Many factories have laid off workers or lowered their wages. Many factories and mines have gone into bankruptcy. All this has caused the people to live miserably.

In his Hadith, Prophet Mohammed stressed the need to oppose corruption. The agencies and corporations controlled by the UMNO ruling group, echoing the clean slogan, are in fact plagued with corruption. The corruption scandal in Bank Bumiputera and its branch involving billions of ringgit is a striking example. This brought about heavy losses to the country and people. Some leaders are even involved in the scandal. However, the UMNO ruling group has been making every effort to conceal the true facts surrounding the scandal. The group is not ashamed of its own crimes which have desecrated Islamic values.

The UMNO ruling group has claimed that it will promote Islam and apply Islamic values in the country. However, it continues to issue permits to open casinos, bars, night clubs, and massage parlors; to hold half-naked beauty queen contests; and to import indecent films and magazines. Its crimes are designed to preserve its own interests, corrupt Islamic morality, and undermine patriotism. As a result our youth are living in illusion.

The UMNO ruling group always boasts that it will strengthen Muslim unity. But, it is in fact dividing the Muslims. The group has divided Malays into UMNO Malays and Muslims on the one hand and non-UMNO Malays and Muslims on the other. It has misused its power to beat PAS [Pan Malaysian Islamic Party] and persecute PAS supporters and Muslims who do not support it. It has slandered these people as religious fanatics and extremists, arrested and imprisoned them, and even used force to oppress them. The bloody oppression of inhabitants of Kampung Memali is indeed a striking example. In fact, the present disunity between the Malays and Muslims in the country has stemmed from the deeds of the ruling group. In Sura Baqara, verse 216, Allah says: "Fighting is prescribed for you, and ye dislike it." In recent years, the Muslims have been fighting the evil ruling group to defend Islamic dignity and free themselves from suffering. Faced with this struggle, the extremely fearful UMNO ruling group has played various tricks to eliminate the struggle of Muslims. For example, it has arrested a number of PAS leaders and members under the Internal Security Act; prevented and barred the opposition party from holding several assemblies and other activities; expelled settlers from the Federal Land Development Authority estates who do not support it for various reasons; banned newspapers and magazines that uphold truth and justice such as MIMBAR SOSIALIS, NADI INSAN, AKHBAR WATAN, and so on; and murdered Uztaz Ibrahim Mahmud and 13 supporters fighting to defend Islam. Despite the cruel persecution and bloody oppression of the ruling group, the Muslims are persevering in their struggle.

These facts show that the Muslims in our country are fighting the cruel and anti-Islamic ruling group. Islamic glory will not prevail and the people in general and the Muslims in particular will not live peacefully and happily so long as the group controls national power. This being the case, the Muslims in our country must close ranks to totally eliminate the roots of poverty and sufferings.



SOVIET EMBASSY QUOTES GORBACHEV ON BASES REMOVAL

HK301043 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 30 Jul 86

[Text] The Soviet Union is prepared to expand economic, scientific and cultural cooperation with the Philippines and other developing countries. More on this from Marilou Linggad.

[Begin Linggad recording] This statement by Soviet leader Mikhail Gorbachev was announced by the Soviet Embassy in Manila. According to Gorbachev, his proposal to promote closer ties with countries in the Asia-Pacific region aims to maintain the region's peace and security. He revealed that nuclear war is not simply an issue of contention between the USSR and the United States, but it could also lead to [word indistinct] disaster. The Soviet Union wished to expand bilateral relations with countries in the Asia-Pacific region including China in order to achieve international security and regional cooperation.

On the Philippines-U.S. bases question, Gorbachev promised to reduce the Soviet fleet in the Pacific if the United States removes its military bases from the Philippines. [end recording]

TALKS ON DISMISSED BASE EMPLOYEES 'DEADLOCKED'

HK290537 Manila THE MANILA CHRONICLE in English 27 Jul 86 p 3

[By Romina de Los Reyes]

[Text] Negotiations between Philippine and American representatives on the case of 42 Filipino Subic Naval Base workers dismissed last June were deadlocked Friday after the U.S. panel refused to present evidence justifying the dismissals.

Deputy Labor Minister Pablito Sanidad, Chairman of the Philippine panel in the RP-U.S. Joint Labor Committee (JLC), said the U.S. position was "unfair, arbitrary, whimsical and oppressive."

He also said U.S. allegations about the workers' case were "bare, empty, unsubstantial, and unacceptable to the Philippine panel."

The U.S. panel said Friday the 42 workers were dismissed because they were "no longer consistent with the U.S.' military requirements."

U.S. authorities had accused the workers of involvement with groups "ideologically committed" to the dismantling of U.S. bases in the Philippines and of illegally barricading entrances to Subic during a strike last March. But they did not substantiate those charges.

The U.S. panel Friday still refused to present any evidence to support the U.S. authorities' claims. It also declared that it considered all 42 employees as separated without cause.

U.S. base authorities had previously classified 38 workers as separated "without cause" and four as separated "for cause."

Sanidad said the U.S. panel hoped to avoid presenting evidence by lumping all 42 together as separated without cause.

He said he would consult Labor Minister Augusto Sanchez on possible steps the ministry may take since the Bases Labor Agreement offered no remedies for deadlocks.

Manuel Torres, vice president of the 22,000-strong Federation of Filipino Civilian Employees Association and one of those dismissed, said the U.S. panel was now invoking international law which supposedly gives U.S. authorities the prerogative to dismiss workers they no longer needed.

Torres said the dismissed workers were appealing to the Philippine government, to President Aquino in particular, to help them.

He said their case had a bearing on the security of tenure of the rest of the 22,000 Filipino U.S. base workers. If U.S. authorities could dismiss base workers "no longer consistent with military requirements," their collective bargaining agreement would be useless and no base worker would be secure in his job, Torres said.

He said the dismissed workers had been barred from not only U.S. military facilities but from all Philippine bases on orders of AFP [Armed Forces of the Philippines] Chief Fidel Ramos.

Torres said the government should do something about the "unfair treatment" of Filipino workers by Americans.

Sanidad said the U.S. Government had not yet received the diplomatic note the Philippine Government had sent on the renegotiation of the 1968 Bases labor Agreement.

He said, however, a panel composed of representatives of the labor, foreign affairs, and defense ministries would soon meet to draft the Philippines' position paper.

He said a major point to be raised would be American recognition of Philippine sovereignty.

#### ENVOY TO U.S. SAYS AID NOT TIED TO BASES ISSUE

HK300145 Manila Far East Broadcasting Company in English 2300 GMT 29 Jul 86

[Text] Ambassador to the United States Emmanuel Pelaez yesterday [29 Jul] told the Constitutional Commission the U.S. Government does not link the mutual security treaty and the bases agreement with the Philippines to the aid program for national economic recovery or to the forthcoming state visit of President Aquino. Pelaez said both the U.S. and the Philippine Governments appear to rank economic recovery and political stability as the highest priority in mutual cooperation.

#### 7TH MUTUAL DEFENSE FORCE MEETING HELD 29 JUL

HK291139 Manila Far East Broadcasting Company in Tagalog 1000 GMT 29 Jul 86

[Text] The seventh Philippine-United States Mutual Defense Force regular meeting was held at the Subic Naval Base today, participated in by top military officials headed by AFP [Armed Forces of the Philippines] Chief of Staff General Fidel Ramos on the Philippines side, and by Rear Admiral (Edwin Cohn), commander of the U.S. facilities at Subic Base on the American side. According to reports on the talks, the meeting covered important issues on the security of the two countries.

AQUINO RECEIVES NINYO AQUINO MOVEMENT DIRECTOR

HK300345 Quezon City Radyo ng Bayan in Tagalog 0300 GMT 30 Jul 86

[Text] Forty-four members of the Ninoy Aquino Movement based in the United States arrived in the country and called on President Corazon Aquino. The group, headed by the movement's executive director, (Andrea Luna), arrived from Los Angeles to spend a month in the country. During their stay, the group plans to set up welfare projects for needy people. (Luna) said that even though they live in the United States, Filipinos in the movement have not forgotten the needs of their fellowmen.

MARCOS LOYALISTS WELCOME REBELLION CHARGES

HK291407 Hong Kong AFP in English 1329 GMT 29 Jul 86

[Text] Manila, July 29 (AFP) -- Allies of deposed President Ferdinand Marcos who were allegedly involved in an abortive coup on July 6 Tuesday vowed to fight any rebellion charges. Marcos spokesman Oliver Lozano said in an interview on state-run television: "We are the victims of character assassination and black propaganda through trial by publicity. This formal complaint will enable us to put up our own defences." Arturo Tolentino and 25 other civilians accused of plotting the coup met in private here Tuesday to map out their plans. They may meet again on Thursday, an aide to Mr Tolentino told AGENCE FRANCE-PRESSE.

Justice Minister Neptali Gonzales on Monday sent a police report, recommending rebellion charges be filed against Mr Tolentino and 40 other coup suspects, to the Manila prosecutor's office. They have been accused of leading a coup bid in which Mr Tolentino -- backed by 300 troops and crowds of civilians -- seized the Manila Hotel and proclaimed himself acting president on behalf of Mr Marcos.

Under Philippine law, the state prosecutor allows suspects 10 days to answer charges filed against them, then initiates court action following a preliminary investigation to determine if there is enough evidence to merit a trial. President Corazon Aquino's Executive Secretary, Joker Arroyo, said Tuesday that charges would be dropped against the 15 military men named in the ministry report who pledged allegiance to the constitution on Monday. He told reporters that it would be up to Mr Gonzalez to decide if Mr Marcos should be included in the charge sheet. Mr Marcos is now living in exile in Hawaii following a popular uprising in February which swept Mrs Aquino to power. Mr Arroyo described as "poetic justice" the fact that Marcos supporters will now be prosecuted under a Marcos decree which made rebellion punishable by death.

No Basis For Prosecution

HK290809 Quezon City BUSINESS DAY in English 28 Jul 86 p 12

[Text] Cebu City -- Former Senator Rene Espina, secretary general of the United Nationalist Democratic Organization (Unido), said last Saturday that Justice Minister Neptali Gonzales will find it difficult to prosecute former MP Arturo Tolentino for rebellion for lack of basis.



He said Tolentino took his oath as vice-president and then as acting president verbally before Justice Serafin Cuevas, a resigned member of the Supreme Court, at the Manila Hotel on July 6.

He said when Cuevas swore in Tolentino, he was no longer authorized to administer the oath.

He also revealed Tolentino did not sign his oath and neither was it signed by Cuevas.

In short, Espina said, Tolentino's oathtaking was not valid so there was no basis for prosecution under the crime of rebellion.

In an interview with Cebu newsmen, Espina also said:

President Corazon C. Aquino should resign if the new constitution that will give her a six year term without reelection is rejected by the people in a plebiscite.

Proposals to revert to the Freedom Constitution if the new constitution is rejected "is foolishness." What is proper, he added, is to return to the 1935 Constitution.

Disunity in the Aquino Cabinet will escalate unless the President starts wielding powers to discipline members of her official family.

#### Justice Minister on Rebellion Charges

HK300359 Quezon City BUSINESS DAY in English 29 Jul 86 p 12

[Excerpts] Rebellion charges were filed yesterday against former member of parliament Arturo Tolentino and 40 others trying to set up a new government last July 6. [passage omitted]

Aside from Tolentino, among those charged were former Batasan speaker Nicanor Yniguez, former MPS Rafael Recto, Manuel Collantes, Salvador Britanico, Edelberto del Valle and former Assemblyman Gerry Espina.

Military officers who were also named respondents were Maj Gen Prospero Olivas, Brig Gen Jose Ma. Zumel, Brig Gen Jaime Echeverria, Brig Gen Antonio Palafox and Col Rolando Abadilla.

Of the 41 charged, 20 are civilians, including some movie personalities. The remaining 15 are military men.

Gonzales said he had informed Defense Minister Juan Ponce Enrile and Armed Forces chief of staff Gen Fidel V. Ramos about the inclusion of the 15 military men in the rebellion raps.

The justice minister requested Enrile and Ramos to furnish the justice ministry with the names of those charged who had taken their oath of allegiance to the government and the Freedom Constitution yesterday so their names can be dropped from the list of respondents.

President Aquino had earlier said participants in the failed coup who pledge their allegiance to the Freedom Constitution promulgated by her government will be spared from rebellion charges.

The filing of rebellion raps yesterday was prompted by the apparent collapse last Friday of the negotiations between Gonzales and Tolentino.

Gonzales said he had waited for Tolentino to reply on the offer of the government which consisted of four points in exchange for clemency:

A pledge of allegiance to the Republic of the Philippines and continued fidelity to it.  
Recognition of the existence of the present government under the Freedom Constitution.  
Renunciation of the use of force and violence for the overthrow of the government.  
A pledge not to allow themselves or their names to be used directly or indirectly for the violent overthrow of the government.

The justice minister said up to last Friday, he had waited for Tolentino's word but it did not come.

The government had to take its move, Gonzales said. "I think the patience of the government is not really limitless," he said.

"The fact that he (Tolentino) did not call up and send the documents promised, I consider it as slamming the door to further talks," Gonzales said.

Gonzales said Tolentino appeared to be amenable to the first, third and fourth conditions, but the second condition seems to be unacceptable to Tolentino and the Marcos loyalists to whom he consults.

Gonzales said the second condition does not even require Tolentino and his group to take their oath of loyalty to the Freedom Constitution.

It is just a recognition of the fact that the present government exists and that it operates under the Freedom Constitution, Gonzales said.

The justice minister added that the government's last offer to Tolentino was to remove the phrase "under the Freedom Constitution." But it appeared that it was still unacceptable to Tolentino and his group.

"The government have leaned over backwards so many times," Gonzales said.

The justice minister said he had gone over the 14 previous amnesty proclamations and he found out that there is a uniform condition: an oath of allegiance to the government is always required.

The requirement is "understandable," Gonzales said, because rebellion is a political offense. Even former Senator Jose W. Diokno, during the Marcos regime, was required to pledge his allegiance to the Constitution, although it did not specify which Constitution.

Gonzales said other respondents may be included in the rebellion charges by the fiscal during the preliminary investigation.

The fiscal will determine if there is prima facie evidence against the respondents to warrant filing of the charges in court.

The arrest of the suspects will come only when they are charged in court. Rebellion charges being a capital offense, the accused cannot avail themselves of bail for temporary release.

The others accused are Chito Lucero, former Manila City councilor; former immigration commissioner Edmundo Reyes; former Manila vice-mayor Felicisimo Cabigao; former Rizal governor Isidor Rodriguez; former San Juan mayor Joseph Estrada; former Caloocan City mayor Macorio Asistio; Gregorio Licaros; former Quezon City mayor Adelina Rodriguez; former Batangas provincial fiscal Felizardo Lota; lawyer Oliver Lozano; Sonia Valenzuela; actor Carlos Salazar; actress Annie Ferrer; actress Alona Alegre; actress Elizabeth Oropesa; actress Rio Diaz; actor Mohamad Faisal; actor Weng-Weng; and actress Amalia Fuentes.

The other military men accused are Col. Dictador Alquiza, Lt. Col. Reynaldo Cabawatan, Lt. Pablo Cardenas, Navy Capt. Bernardo Patinio, a certain Sgt. de la Cruz, Msgt. Casilan, T/Sgt. Bajo, T/Sgt. Malabanan, petty officer I Punzalan and petty officer I Genatin.

### 3 'Marcos Loyalist Leaders' Wanted For Murder

HK300511 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 30 Jul 86

[Text] Manila police are looking for three Marcos loyalist leaders who staged a rally at Luneta last Sunday that led to the death of a young man clad in a yellow T-shirt. Those wanted by authorities are Annie Ferrer, attorney Oliver Lozano, and (?Benjamin Nueva). According to police, they have gathered sufficient evidence to press charges against the three. [passage indistinct] Ten other Marcos loyalists who were actually involved in the mauling of Solomon Stephen (Salcedo) were also identified by the police.

### UNKNOWN GUNMEN KILL SENIOR POLICE OFFICER

HK291541 Hong Kong AFP in English 1529 GMT 29 Jul 86

[Text] Manila, July 29 (AFP) -- Gunmen killed a senior police officer in an ambush near the presidential palace here Tuesday, police said. They shot a Major Jaime Victorino, chief of the theft and robbery division of the Manila Police Force, while he was aboard a staff car, police Sergeant Julian Pascasio told ACENCE FRANCE-PRESSE. The major's car was stopped at a red light at the foot of Nagtahan Bridge some 500 metres (yards) from the Malacanang Presidential Palace when two men drew up in a second vehicle and opened fire with an M-14 rifle, police said.

Maj. Victorino was rushed to the palace hospital, but was dead on arrival, other police officials said. Police were investigating the possibility that the killing was related to an incident last year, when a policeman under Mr. Victorino's jurisdiction shot dead a fellow officer in a personal dispute. They said they planned to question the dead officer's brother. The police would not comment on whether the attack might have been aimed at President Corazon Aquino.

### SWISS GOVERNMENT REJECTS RANSOM DEMAND

HK291147 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 29 Jul 86

[Text] The Swiss Government will not pay any ransom to the Muslim rebel kidnappers of a Swiss businessman in Jolo last week.



A Swiss Embassy spokesman (Hans Gerard) said that it is the policy of his government not to pay ransom. He added that should family and friends of Hans Kuenzli decide to pay the amount demanded by the kidnappers, then it is a personal measure and has nothing to do with the Swiss Government. The Filipina girlfriend of Kuenzli released last Friday revealed that the kidnappers demanded two million pesos for Kuenzli's release.

#### MONSOD DISCUSSES IMF BUDGET DEFICIT AGREEMENT

HK290601 Manila THE MANILA CHRONICLE in English 28 Jul 86 p 9

[Text] The Philippine Government and the International Monetary Fund (IMF) have reached an agreement to peg the 1986 budget deficit "to a more realistic level" that the Philippine economy badly required in reflating the economy.

Economic Planning Minister Solita Monsod said the agreement was reached after the government convinced the IMF that such deficit level had to be incurred to attain a projected growth of 1.5 percent in the economy.

Monsod did not provide the exact deficit figure but it was assumed that the level would be around P27 billion as earlier projected before the start of the negotiations with the IMF. Monsod said the Government turned down IMF requests to trim the P14-billion increase in maintenance and operating expenses and the P9-billion additional capital expenditures. She further said that there was also no way for government to cut the deficit of government financial institutions.

"The only way by which the deficit can be cut is for the government to stop payments of interests on foreign loans," she reportedly told IMF officials.

Monsod said that with the inflation and the level of international reserves required by the economy, debt services should be subservient to growth.

Monsod also said that government has to relax reserves imposition on commercial banks from the present level of 22 percent of total deposits to increase money supply.

The government is planning to finance the budget deficit from foreign loans and monetary expansionary measures. In doing so, however, the government has to assure that interest rates will not move up from their present low levels.

Monsod said that for economic activity to perk up, interest rates must be brought down further while inflation had to be pushed up after posting negative rates from April to June on a month-to-month basis.

#### NEW RESERVE CEILING 'COMPLETE SHIFT IN FORMULA'

HK300449 Quezon City BUSINESS DAY in English 29 Jul 86 p 2

[Text] The Philippines and the International Monetary Fund (IMF) have reached agreement on a P45-million reserve money ceiling for this year. Meanwhile, talks for a new standby credit agreement are expected to be completed this week.

Monetary sources said yesterday the setting of a much higher reserve money ceiling, about 20 percent over the P37.4-million limit set for end-March, marked a complete shift in formula which the Fund would likely enter into under the new agreement.

The reserve money, consisting of new currency releases of the Central Bank [CB], is a prime measure of liquidity in the financial system which, under the previous standby agreement, was closely monitored by the IMF.

The IMF, under the previous standby agreement, forced the government to meet reduced targets in order to check runaway inflation that characterized the period between 1984 and 1985.

It was this tight control on liquidity which sharply increased interest rates, constricted business, and caused the less resilient firms to close down and lay off thousands of workers.

The CB then complied with reserve money ceilings through the issuance of high-yield government securities that eventually caused the unusually high interest rates regime during that period. [sentence as published]

Sources said the relaxation of the ceiling in the ongoing negotiations reflects clearly the Fund's agreement with the Philippine negotiating team to adopt this year and next an expansionary program.

Based on government data submitted to the IMF, the Philippines is targeted to grow by 1.4 percent this year in terms of gross national product (the sum total of all goods and services produced) compared to a GNP decline last year of 3.95 percent.

All however, preliminary estimates on the overall economic activity this year showed a decline of 3 percent. This means that the government will have to reflate the economy for the rest of this year to effect at least a 6 percent growth for the second half of 1986 just to be able to meet its growth target.

Data on the movements in reserve money from the CB showed small but steady increases since last month. The latest data, covering the June 30 to July 3 week, showed reserve money at P38,860 million compared to the week ago level of P38,860 million and the month ago level of P38,208 million.

A monetary official confirmed to BUSINESS DAY the new reserve money ceiling but indicated that reserve money does not have to rise to that level since the government would still like to keep inflation down.

"We certainly do not want on our hands again runaway inflation just because a higher ceiling has been set," the official said, explaining that all factors will have to be balanced.

Monetary sources however are optimistic the higher liquidity in the financial system will not result in a resurgence of inflation due to two factors. First, inflation for the first semester has remained very low, a little over 2 percent, with the June 1985 to June 1986 data showing zero inflation. Second, excess capacity in domestic industries would have to be filled up first before prices could move upward.

Sources said the government is still the only moving force in the domestic economy as the private sector has remained timid and will only start real production if a perceptive rise in demand is noted.

The government submitted an inflation rate of 6 percent to 8 percent to the IMF which means that inflation, as a result also of the higher reserve money, could even rise to an 11 percent average for the six-month period for an overall year-to-year average of 6 percent to 8 percent.

Massive pump priming of the market by the government has been agreed upon for the remainder of this year which will involve substantial expenditures in the rural sector and in support of laborintensive industries.

For the second half of this year, government pump priming will come from an outlay of P23 billion. For capital expenditures, a total of P9 billion has been set aside while for while for maintenance and operating expenses a total of P14 billion has been budgeted.

The IMF and the Philippine negotiating team will meet today to finalize the draft letter of intent, tie the remaining loose ends and hopefully come up with the final draft by the end of this week.

#### TRADE MINISTER ON IMPORT LIBERALIZATION POLICY

HK240443 Quezon City BUSINESS DAY in English 23 Jul 86 p 3

[By Julie C. Del Castillo]

[Excerpt] The government will take retaliatory measures against countries restricting markets for Philippine exports once the import liberalization program is fully in place, Trade and Industry Minister Jose S. Concepcion Jr. said yesterday.

Concepcion said the government is set to deregulate by next week 71 import items, mostly of raw materials, in compliance with a World Bank-International Monetary Fund prescription for completion within this year of the import liberalization program.

However, he said that despite World Bank-IMF pressure, the Ministry of Trade and Industry was still hopeful that it could take steps to protect local industry from adverse effects of import decontrol.

He said the ministry had not given up efforts to convince the WB-IMF to postpone liberalization for at least 40 "most sensitive" import items.

Concepcion said the MTI has "made it clear (to the WB-IMF that it would) take unilateral action" against countries that restrict markets for Philippine products.

He said such action would be necessary to balance trade opportunities between the Philippines and its trading partners, particularly industrialized countries from which the Philippines buys much of its raw material requirements but which do not import much from the Philippines or restrict such purchases.

Concepcion said the government's plan to raise tariff walls to shield local industry from an import surge would not be enough because of non-tariff barriers in other countries against Philippine products.



He cited, for example, restrictions imposed by Japan, South Korea, Taiwan and other countries which all have an edge over the Philippines in terms of economic and industrial development.

These restrictions include quarantine and health regulations which hamper the entry of Philippine agricultural products; quotas and so-called orderly marketing arrangements such as "trigger levels" that limit garments shipments; and licensing requirements.

Concepcion said these restrictions should be dismantled because most Philippine export products have reached world-class standards to be competitive.

However, precisely because of the products' competitiveness, other countries limit their entry into their markets. [passage omitted]

#### CON-COM ESTABLISHES LEGISLATIVE EXECUTIVE TERMS

HK281454 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 26 Jul 86 pp 1, 7

[By Miguel Genovea]

[Text] The Constitutional Commission [Con-Com] voted yesterday to give president, vice president and senators a six-year term, and to congressmen and local officials down to council members, a three-year term.

Under this scheme, there will be elections every three years and, all elections will be synchronized by 1992, when the terms of the incumbent president and vice president shall have ended.

Thirty-three members voted in favor of the plan, which defeated an earlier consensus calling for a six-year term for the president, vice president, senators and a four-year term for congressmen and local officials, with elections to be held every two years.

With the Con-Com decision, elections for the 24 senators (12 for 6 years and 12 for two years), congressmen and local officials will be held either in March or April next year.

A Committee approval for inclusion in the transitory provisions set the election for the legislative not earlier than 30 days or not later than 50 days upon approval of the Constitution.

The Committee on Amendments and Transitory Provisions headed by Jose Suarez had also voted to fix the six-year terms for President Aquino and Vice President Salvador Laurel.

After lengthy deliberations, the Con-Com voted to limit the tenure of the president to six years without reelection and the vice president for one reelection.

It was also agreed that senators will only have one immediate reelection and congressmen and local officials with two reelections [as published].

A move to perpetually ban senators, congressmen and local officials after serving for two and three conservative terms, respectively, was voted down.

This means that after serving two consecutive terms, a senator, after resting for one term can run again. This is also true for congressmen and local officials, who can run again after three consecutive terms, provided there is a break of one term.

Con-Com President Cecilia Munoz Palma expressed confidence that the deadline for the completion for the framing of the charter could be met, notwithstanding the delay in the floor deliberations on the articles on legislative department.

"It is necessary to finish the Constitution on time to hasten the country's economic, political and social stability," Palma said.

#### HOW THEY SHALL BE ELECTED

Position	Terms	Reelection	Set of Conditions
President	6 years	No reelection	--
Vice President	6 years	1 immediate reelection	After a break of one term, can run again
Senator	6 years	1 reelection	After a break of one term, can run again
Congressman	3 years	2 immediate reelections	After a break of one term, can run again
Local officials	3 years	2 immediate reelections	After a break of one term, can run again

#### COLUMN OPPOSES SINGLE TERM

HK290459 Manila PHILIPPINE DAILY INQUIRER in English 27 Jul 86 p 4

["Opinion" column: "The Con-Com and the People"]

[Text] Since it began its task of forging a Constitution for the Filipino people, the Constitutional Commission [Con-Com] has been acting more and more as if they wanted the people to decide on less and less.

To cite one particular provision which they decided upon, there is the matter of closing the door for the re-election of any President, beyond one single six-year term.

Thinking negatively, a distinct feature emerging in Con-Com deliberations, proponents of the measure resurrected the ghost of Marcos by saying one term would prevent the setting up of political dynasties such as the 20-year rule of Marcos.

By banning a presidential re-election, the Con-Com shuts the door on the return of a good and decent President and deprives the Filipino voter of the option to throw out a bad President with his vote. Unless the Con-Com delegates are suffering from convenient amnesia, it could not have escaped them that the people have thrown out Presidents before, till one of them perverted the whole political process, something which even the 1935 Constitution could not prevent.

The point which the Con-Com should remember is that the Filipino people, whom they are supposed to represent, but technically do not because they were not elected, have shown themselves to be capable of acting outside any Constitution to determine their own fate.

It would be unfortunate if the Con-Com thought it knew best, and continued limiting the political decisions the Filipino can make for themselves with restrictive provisions motivated by a desire to exorcise Marcos on the one hand and an effort to tell the people what they need on the other.

Perhaps then, the wisdom of electing a Constitutional Commission will emerge because of the character of the Constitution which the appointed Con-Com seems determined to impose on the nation.

#### MANILA BULLETIN ON IMPEACHMENT ISSUE AT CON-COM

HK300548 Manila MANILA BULLETIN in English 29 Jul 86 p 4

[Editorial: "On Impeachment"]

[Text] There need not be many grounds for the impeachment of a president. One ground, culpable violation of the Constitution, ought to be enough, because the Constitution is broad enough to cover almost all malfeasances a president can possibly commit. Probably, the presentation of additional grounds for impeachment at the Constitutional Commission [Con-Com] was meant to stress the desirableness of a president who can tread the straight and narrow path of virtue. Or it could have been a reaction to recent experience.

The probability of the impeachment of a president is a function of the institutional arrangements. If the system of government has a workable checks-and-balances arrangement, a constitutional provision on impeachment will more or less be a dead law, because the president will not be tempted to commit mischiefs. A president commits an impeachable offense only when he is sure of impunity.

If a president controls only one-half of the lower house and one-half of the upper house he is not likely to commit an impeachable offense because he would feel he is not powerful enough. Either that or he is a fool.

We are sure that on the basis of past experience the Con-Com will come up with a Constitution that will prevent the recurrence of the kind of material law regime imposed on the people beginning in 1972.

Accomplishing that one thing will make a number of provisions reported in the papers unnecessary.



VOTERS GIVEN RIGHT TO INITIATE, NULLIFY LAWS

HK281500 Manila PHILIPPINE DAILY INQUIRER in English 25 Jul 86 pp 1, 3

[By Marlen Ronquillo]

[Text] The Constitutional Commission [Con-Com] yesterday decided to grant unto Filipino voters the power to propose, enact, and nullify laws passed by Congress.

The granting of law-making powers to voters was one of the most progressive features of the article on the legislature which the Con-Com was expected to pass yesterday.

The approved article in the draft Constitution provides for a bicameral legislature similar to the old Congress, and radical measures that "nurture people power."

The approved provision specifies two methods on how voters can actively participate in the legislative process.

The first method allows 10 percent of the registered voters to go directly to Congress to propose a bill.

The provision contains safeguards that shall compel Congress to listen to initiatives from the people.

The second method allows 10 percent of the voters to prepare bills and submit the proposed legislative measures in a nationwide referendum. A bill is considered enacted through a majority vote.

The same percentage of voters can also initiate a referendum either to reject a law passed by Congress or to pass a bill rejected by Congress.

Another innovative feature of the article was the introduction of a party list system in legislative polls. Under this scheme which is being adopted in some US states, people vote for political parties and not politicians.

Political parties which obtain a sufficient percentage of votes will be allowed to name representatives to Congress. The number of representatives will depend on the total votes obtained by the parties.

This will ensure that parties and their platforms and not personalities will be voted on by the electorate, committee chairman Hilario Davide said.

The article also sets limits on what members of Congress can do during their terms in either the Senate or House of Representatives.

Members of both houses cannot appear as counsel in courts, quasijudicial bodies and administrative agencies.

They are also required to disclose their personal assets and business interests upon assumption of office.

They are also prohibited from passing bills which will serve their "pecuniary interest."

The approved provisions also incorporate some features which are only practiced in a parliamentary form of government.

There is a provision for the holding of a Question Hour at least once a month.

COMELEC CHAIRMAN, COMMISSIONERS SWORN IN

HK250818 Manila MANILA BULLETIN in English 24 Jul 86 pp 1, 5

[By Ding Marcelo]

[Text] Ramon Felipe Jr took his oath yesterday as the new chairman of the Commission on Elections (Comelec) and said that he has recommended to President Aquino the holding of national and local elections in March or April next year and the plebiscite for the new Constitution in December this year.

Felipe, who served as the lone voice of the opposition in the Comelec during the tumultuous presidential elections and its bitter aftermath, was sworn in along with five new commissioners.

The new appointments finally brought the curtain down on the five remaining commissioners appointed by former President Marcos and signalled the completion of the revamp of the government body that conducted the nation's elections, plebiscites, and referendums, and announced results that often prompted debates during the Marcos years.

Besides Felipe, others who took their oath before President Aquino were Andres Flores, Leopoldo Africa, Haydee Yorac, David Rama, and Anacleto Badoy.

Froilan Bacungan, also a Marcos appointee, however, will remain as commissioner until the end of August when his term expires.

Those whose resignations were acted upon only yesterday were Commissioners Quirino Marquinez, Jaime Layusa, Jose Agpalo, and Mario Ortiz.

Earlier, Mrs Aquino had accepted the resignations of former Comelec chairman Vic Savellano and members Jaime Opinion and Mangontawa Guro.

Felipe had been serving as acting Comelec chairman since Savellano resigned after the February revolt. But it was only yesterday that he was sworn in.

Felipe's commission is expected to oversee the plebiscite that will ratify or reject the Constitution now being formulated, the election for mayors and governors, and for members of the legislative body and, perhaps, even for the presidency.

Excluding the election for president, Felipe estimated that the commission will need at least P670 million for the holding of local and national elections, the plebiscite for the Constitution, and the listing of new voters.

One of President Aquino's programs calls for the complete change of the voters list, and that to accomplish this, Felipe said, P370 million is needed. P270 million of the amount will go to the payment of new ID cards with pictures.

He said new voters' ID cards will be used when the plebiscite is held sometime in December, a month he has also recommended to Mrs Aquino.

For the plebiscite, Felipe estimated that the government will spend P110 million while for the local and national elections for March or April, the amount is pegged at P190.

#### SEVERAL NEW ENVOYS APPOINTED TO POSTS

HK281248 Manila THE MANILA EVENING POST in English 28 Jul 86 p 3

[Text] Former Sen. Mamintal Tamano and former Lanao del Sur Gov. Madki Alonto head the list of political appointees to ambassadorial and top foreign ministry posts.

Tamano, who is now third deputy foreign minister, and Alonto, the new envoy to Libya, were Unido [United Democratic Nationalist Opposition] political leaders for Mindanao.

Another Unido leader, Augusto Cesar Espiritu, former dean of the University of the Philippines college of law, is ambassador to West Germany.

Alfonso Yuchengco, former board member of the Philippine Long Distance Telephone Co. and now envoy to China, is among the prominent businessmen named ambassadors.

Ramon del Rosario, of the Philippine Investment Management Consultant (Phinma), is ambassador to Japan. Previously assigned to West Germany, he was one of few ambassadors who pledged support for President Aquino before the February revolt.

The rest of the appointees are prominent businessmen who, according to foreign minister sources, "were staunch opposition supporters during the campaign."

Howard Dee, ambassador to Vatican; Eduardo Manzano, Switzerland; Jose Zaldarriaga, Italy; Francisco Benedicto, Singapore; John Quimson, Britain; Benjamin Sanvictores, deputy chief of mission to Tokyo.

Former Ambassador to Korea Nicanor Jimenez, the sources said, is being groomed for either deputy permanent representative to the United Nations or consul-general to San Francisco.



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